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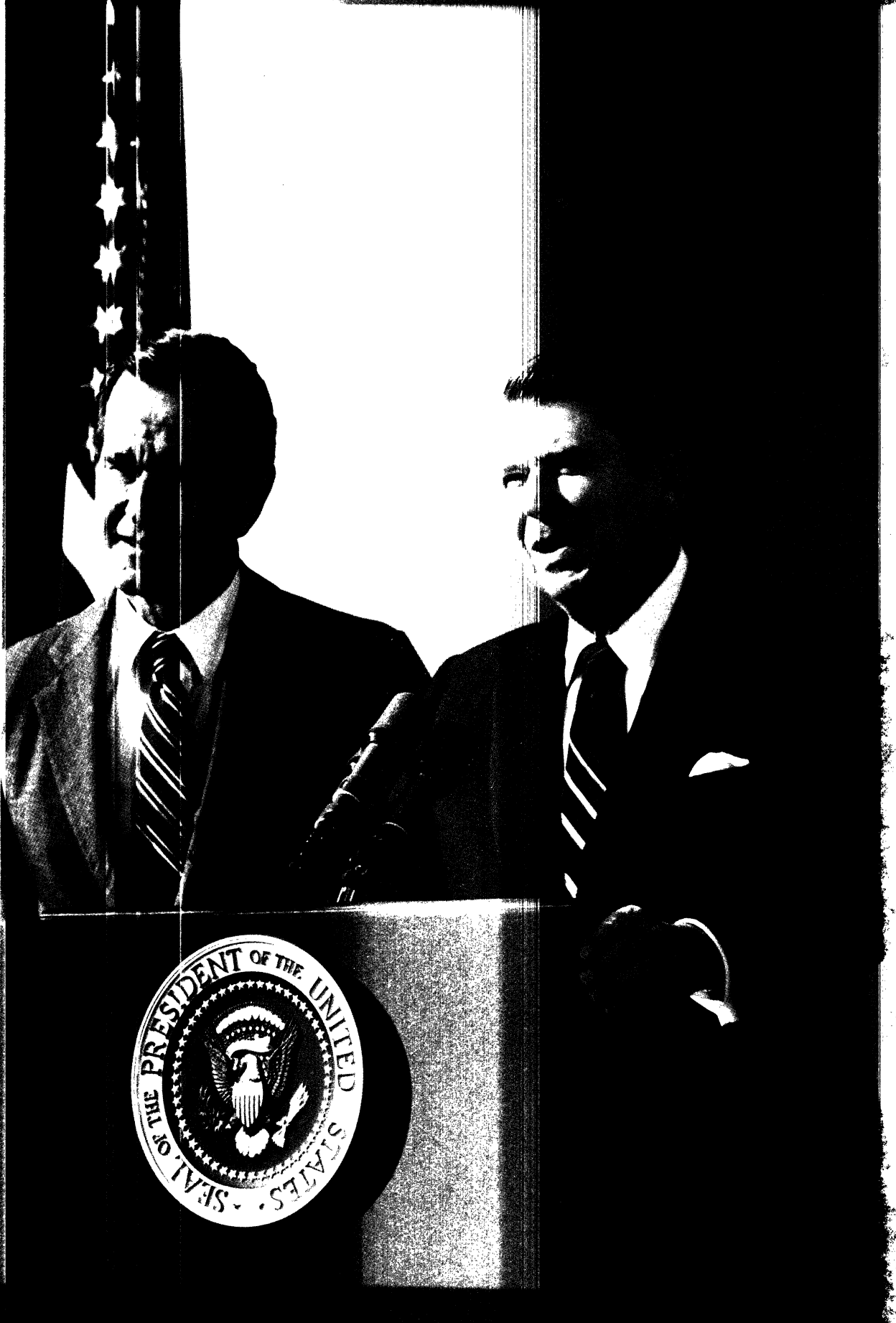
SEAL OF THE PRESIDENT OF THE UNITED STATES

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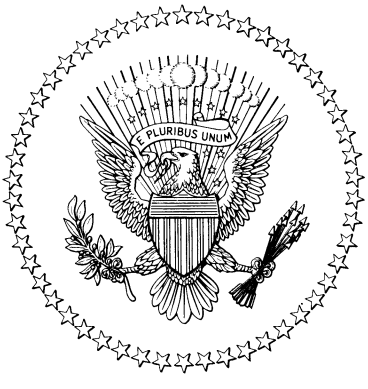
Ronald Reagan



1982

(IN TWO BOOKS)

BOOK II—JULY 3 TO DECEMBER 31, 1982

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Foreword

During the second half of 1982—as these pages document so well—America moved ahead on the road to prosperity at home and peace abroad. The American consumer—the principal victim of past mistakes—began to see the Nation's economic health improve. The world abroad posed new and often dangerous challenges to the world. Peace through strength served as the cornerstone of our foreign policy. We worked toward restoring America's defensive capabilities, so adversary and ally alike would know that we would be able and ready to meet any challenge.

A domestic enemy—crime—was the subject of intensive study and effort as we worked to make it safe for people to walk their neighborhood streets again. And a special effort was made to work against those who sell drugs in this country, so that our young people can grow up free from the paralyzing effects of drug addiction. In November the American people went to the ballot boxes to elect Senators, Representatives, and a host of local officials. And once again, our free and orderly election system was the envy of the world.

1982 ended on an optimistic note for America as we looked to 1983 on the way to economic recovery, strong abroad and at peace at home. The strength of our country was obvious, and the spirit of our people was high. As these documents show, the second half of 1982 was the beginning of what promises to be a time of great progress for America.

Ronald Reagan

Preface

This book contains the papers and speeches of the 40th President of the United States that were issued by the Office of the Press Secretary during the period July 3-December 31, 1982. The material has been compiled and published by the Office of the Federal Register, National Archives and Records Service, General Services Administration.

The material is presented in chronological order, and the dates shown in the headings are the dates of the documents or events. In instances when the release date differs from the date of the document itself, that fact is shown in the textnote. Every effort has been made to ensure accuracy. Tape recordings of Presidential remarks are used to protect against errors in transcription, and signed documents are checked against the original to verify the correct printing. Textnotes, footnotes, and cross references have been provided by the editors for purposes of identification or clarity. Speeches were delivered in Washington, D.C., unless indicated. The times noted are local times. All materials that are printed full-text in the book have been indexed in the subject and name indexes.

The Public Papers series was begun in 1957 in response to a recommendation of the National Historical Publications Commission. An extensive compilation of messages and papers of the Presidents covering the period 1789 to 1897 was assembled by James D. Richardson and published under congressional authority between 1896 and 1899. Since then, various private compilations have been issued, but there was no uniform publication comparable to the Congressional Record or the United States Supreme Court Reports. Many Presidential papers could be found only in the form of mimeographed White House releases or as reported in the press. The Commission therefore recommended the establishment of an official series in which Presidential writings, addresses, and remarks of a public nature could be made available.

The Commission's recommendation was incorporated in regulations of the Administrative Committee of the Federal Register, issued under section 6 of the Federal Register Act (44 U.S.C. 1506), which may be found in Title 1, Part 10, of the Code of Federal Regulations.

A companion publication to the Public Papers series, the Weekly Compilation of Presidential Documents, was begun in 1965 to provide a broader range of Presidential materials on a more timely basis to meet the needs of the contemporary reader. Beginning with the administration of Jimmy Carter, the Public Papers series expanded its coverage to include all material as printed in the Weekly Compilation. That coverage provides a listing of the President's daily schedule and meetings, when announced, and other items of general interest issued by the Office of the Press Secretary. Also included are lists of the President's nominations submitted to the Senate, materials released by the Office of the Press Secretary that are not printed full-text in the book, and acts approved by the President. This information appears in the appendixes at the end of the book.

Volumes covering the administrations of Presidents Hoover, Truman, Eisenhower, Kennedy, Johnson, Nixon, Ford, and Carter are also available.

This series is under the direction of John E. Byrne, Director, and Robert E. Lewis, Director of the Presidential Documents and Legislative Division, Office of the Feder-

al Register, and is produced by the Presidential Documents Unit, Brenda A. Robeson, Chief. Editors of this book were Wilma P. Greene, Katherine A. Mellody, and Kenneth R. Payne, assisted by Judith B. Craine, Maxine L. Hill, Thomas D. Kevan, and William K. Banks.

White House liaison was provided by Larry M. Speakes, Assistant to the President and Deputy Press Secretary. The frontispiece and photographs used in the portfolio were supplied by the White House Photo Office.

The typography and design of the book were developed by the United States Government Printing Office under the direction of Danford L. Sawyer, Jr., Public Printer.

Robert M. Warner
Archivist of the United States

Gerald P. Carmen
Administrator of General Services
December 1983

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Administration of Ronald Reagan

1982

Radio Address to the Nation on the Observance of Independence Day

July 3, 1982

My fellow Americans, 206 years ago one of history's greatest adventures began when a small band of patriots in Philadelphia resolved to stake their all—their lives, their fortunes, and their sacred honor—for freedom and independence. On that distant day America was born. Our country has been an inspiration for free men and women around the world ever since.

The Scriptures tell us that "Where the spirit of the Lord is, there is liberty." And for more than two centuries now our blessed land has grown and prospered, guided by a deep faith in the Almighty and an unquenchable thirst for freedom. As George Washington once wrote to another of the Founding Fathers, James Madison, "Liberty, when it begins to take root, is a plant of rapid growth."

Thanks to the faith and fortitude of our ancestors, freedom has flowered on our shores and has brought a legacy of liberty and opportunity to wave after wave of immigrants from every quarter of the globe. In war and peace, in good times and bad, each generation of Americans has passed on the torch of freedom.

Some of our ancestors faced trials that we will never know—the snows of Valley Forge; the crucible of a bitter, bloody civil war; and the incredible hardships endured in taming a savage wilderness. But the spirit of determination and love of country that saw them through to victory still beats in American hearts today.

We, too, face strong challenges to our free, abundant way of life. America is at peace, but we live in a troubled world. American abundance is still the marvel of mankind, but we still face serious economic and social problems.

Far more important, though, is the fact that, as a free people, we have both the means and the vision needed to solve our problems peacefully, fairly, and democratically. Because we are a free people we can work together voluntarily in a way no system based on tyranny ever will. That always has been and always will be America's ultimate strength. In the words of Dwight Eisenhower, "Free men do not lose their patience, their courage, their faith because the obstacles are mountainous, the path uncharted. Given understanding, they invariably rise to the challenge."

So, on this special day, the birthday of our nation, in the midst of all the joyous celebrations let us take a moment to remember the debt of thanks we owe to those who came before us, to the same God who guides us all, and to the spirit of faith and patriotism which still makes America "the land of the free and the home of the brave."

Thank you, God bless you, and God bless America.

Note: The President's remarks were recorded earlier for use on nationwide radio.

Remarks at Edwards Air Force Base, California, on Completion of the Fourth Mission of the Space Shuttle *Columbia*
July 4, 1982

The President. T.K. and Hank—as you can see, we've gotten well acquainted already—you've just given the American people a Fourth of July present to remember. I think all of us, all of us who've just witnessed the magnificent sight of the *Columbia* touching down in the California desert, feel a real swelling of pride in our chests.

In the early days of our Republic, Americans watched Yankee Clippers glide across the many oceans of the world, manned by proud and energetic individuals breaking records for time and distance, showing our flag, and opening up new vistas of commerce and communications. Well, today, I think you have helped recreate the anticipation and excitement felt in those homeports as those gallant ships were spotted on the horizon heading in after a long voyage.

Today we celebrate the 206th anniversary of our independence. Through our history, we've never shrunk before a challenge. The conquest of new frontiers for the betterment of our homes and families is a crucial part of our national character, something which you so ably represent today. The space program in general and the shuttle program in particular have gone a long way to help our country recapture its spirit of vitality and confidence. The pioneer spirit still flourishes in America. In the future, as in the past, our freedom, independence, and national well-being will be tied to new achievements, new discoveries, and pushing back new frontiers.

The fourth landing of the *Columbia* is the historical equivalent to the driving of the golden spike which completed the first transcontinental railroad. It marks our entrance into a new era. The test flights are over. The groundwork has been laid. And now we will move forward to capitalize on the tremendous potential offered by the ultimate frontier of space. Beginning with the next flight, the *Columbia* and her sister ships will be fully operational, ready to provide economical and routine access to space for scientific exploration, commercial ventures, and for tasks related to the national security.

Simultaneously, we must look aggressively to the future by demonstrating the potential of the shuttle and establishing a more permanent presence in space.

We've only peered over the edge of our accomplishment, yet already the space program has improved the lives of every American. The aerospace industry provides meaningful employment to over a million of our citizens, many working directly on the space program, others using the knowledge developed in space programs to keep us the world leader in aviation. In fact, technological innovations traced directly to the space program boost our standard of living and provide employment for our people in such diverse fields as communications, computers, health care, energy efficiency, consumer products, and environmental protection. It's been estimated, for example, that information from satellites has saved hundreds of millions of dollars per year in agriculture, shipping, and fishing.

The space shuttle will open up even more impressive possibilities, permitting us to use the near weightlessness and near-perfect vacuum of space to produce special alloys, metals, glasses, crystals, and biological materials impossible to manufacture on Earth. Similarly, in the area of national security, our space systems have opened unique opportunities for peace by providing advanced methods of verifying strategic arms control agreements. The shuttle we just saw land carried two kinds of payloads, one funded entirely by private industry, and the other, related to our national security, sponsored by the Air Force.

This versatility of the *Columbia* and her sister ships will serve the American people well, yet we must never forget that the benefits we receive are due to our country's commitment made a decade ago to remain the world leader in space technology.

To ensure that the American people keep

reaping the benefits of space and to provide a general direction for our future efforts, I recently approved a national space policy statement which is being released today. Our goals for space are ambitious, yet achievable. They include continued space activity for economic and scientific benefits, expanding private investment and involvement in space-related activities, promoting international uses of space, cooperating with other nations to maintain the freedom of space for all activities that enhance the security and welfare of mankind, strengthening our own security by exploring new methods of using space as a means of maintaining the peace.

There are those who thought the closing of the western frontier marked an end to America's greatest period of vitality. Yet we're crossing new frontiers every day. The high technology now being developed, much of it by byproduct of the space effort, offers us and future generations of Americans opportunities never dreamed of a few years ago. Today we celebrate American independence confident that the limits of our freedom and prosperity have again been expanded by meeting the challenge of the frontier.

We also honor two pathfinders. They reaffirm to all of us that as long as there are frontiers to be explored and conquered, Americans will lead the way. They and the other astronauts have shown the world that Americans still have the know-how and Americans still have the true grit that tackled a savage wilderness.

Charles Lindbergh once said that "Short-term survival may depend on the knowledge of nuclear physicists and the performance of supersonic aircraft, but long-term survival depends alone on the character of man." That, too, is our challenge.

Hank and T.K., we're proud of you. We need not fear for the future of our nation as long as we've got men like you to serve as our inspiration. Thank you both, and God bless you for what you're doing.

Before I introduce you, if you'll all just look—well, I'm sure down in front maybe you can't see—but way out there on the end of the runway, the space shuttle *Challenger,* affixed atop a 747, is about to start on the first leg of a journey that will eventually put it into space in November. It's headed for Florida now, and I believe they're ready to take off.

Challenger, you are free to take off now.

And now it's my pleasure to introduce to you two sons of Auburn, Captain T. K. Mattingly and Colonel Hank Hartsfield.

Captain Mattingly. Thank you.

Mr. President, you mentioned something about people having a desire to maintain a presence in space. Not very many hours ago I know two guys who really wanted to maintain that presence in space a while longer. That is, you never get tired of it. The most remarkable thing, besides the machine and the team that put it together, is that it's a new discovery every minute and every day.

The machine we built is a first stepping stone. Here comes the second one. We're standing in front of its pathfinder, and there's more to come. Where we're going to go in the future is something that depends on you. [*The space shuttle* Challenger *and its transporting aircraft passed overhead, enroute to the John F. Kennedy Space Center at Cape Canaveral, Fla.*] And maybe that's our second stage.

I'd like to thank you for being here today. It's really a privilege for us to be part of this celebration. I don't feel like—it isn't our celebration at all. We were just lucky enough to be here.

The people that make all this work are the thousands of designers and engineers that made it work. And as the President pointed out, all the technology in the world is just a tool. And the only thing that makes the difference between our technology and the trip that we've just had and the sights that we've seen and the things that we've thought and the ideas that that's spurred—all the difference between that and just plain old technology is the people that made it happen. And the country is blessed with having a team that's dedicated to the United States and to the exploration and exploitation of space. And I am just as proud as I can be to be a part of that NASA team.

There's one other thing that I'd like to say, and I'll let Hank talk to you. Hank's had to endure me for a long time now, and

he probably thinks that this last year has been the longest year of his life. And it's certainly had more hours packed into it than most. But throughout it all, this guy has maintained a sense of humor and an industry that's second to none. And this is the finest pilot that ever flew in a spacecraft.

Hank.

Colonel Hartsfield. It's kind of tough to follow that. I can only echo the words of the President and T.K. I am very proud to be here and be a part of the shuttle program.

I think back to 206 years ago when our forefathers ushered in a new era of true democracy for the world. And here today I think we have ushered in a new era also—a fully operational space transportation system. We've got a real fine vehicle there. That vehicle performed far beyond my expectations, and I think T.K. and I brought all you folks about the best spacecraft that's ever been built. It will be tough for *Challenger* and the ones coming down the line to top it.

But as Ken said, the people that put all this together are the important part. T.K. and I are only just a little tip of the pyramid, and we're standing on the top of a huge number of people who have dedicated their lives and their efforts to making it all work. It can't be done without you folks. And I'm convinced, as T.K. is, that American technology is the greatest in the world, because we have the best people in the world, people who are willing to work.

I think that the future is going to hold something for us that at this point we cannot even imagine. In the short time that I was there in space, I thought of some things that could only be done there. And when we start sending people up routinely, as the President pointed out, we just opened a railroad. T.K. referred to it once as "opening up the freeway." Once they're built, we know no bounds to what we can do. And I am very, very proud to be a part of this initial effort.

Thank you.

The President. Come on up, both of you. I just want to, again, tell you how proud we are of you. And today, as we celebrate our 206th anniversary of our independence, let us remember we're a prosperous people and a strong people because we're a free people.

Well, God bless you all and a happy Fourth of July.

Now, here they come.

[*At this point, a band played "God Bless America."*]

Happy Fourth of July. And, you know, this has got to beat firecrackers.

Note: The President spoke at 11:07 a.m. at a site adjacent to the Hugh L. Dryden Flight Research Facility on Edwards Air Force Base, Calif.

Earlier in the day, after greeting Capt. Thomas K. Mattingly and Col. Henry W. Hartsfield as they disembarked from the Columbia, *the President presented the NASA Distinguished Service Medal to Col. Jack R. Lousma and Col. C. Gordon Fullerton, pilots of the* Columbia*'s third mission, and James Beggs, Administrator, Lt. Gen. J. A. Abrahamson, Associate Administrator, Office of Space Flight, National Aeronautics and Space Administration, in a private ceremony at the flight research facility.*

Robert Crippen and Joe Engle, pilots of the Columbia*'s first and second missions, were also present during the landing of the fourth mission.*

Following his appearance at Edwards Air Force Base, the President returned to Rancho del Cielo, his ranch near Santa Barbara, Calif.

Fact Sheet Outlining United States Space Policy
July 4, 1982

The President announced today a national space policy that will set the direction of U.S. efforts in space for the next decade. The policy is the result of an interagency

review requested by the President in August 1981. The 10-month review included a comprehensive analysis of all segments of the national space program. The primary objective of the review was to provide a workable policy framework for an aggressive, farsighted space program that is consistent with the administration's national goals.

As a result, the President's directive reaffirms the national commitment to the exploration and use of space in support of our national well-being, and establishes the basic goals of United States space policy which are to:

—strengthen the security of the United States;
—maintain United States space leadership;
—obtain economic and scientific benefits through the exploitation of space;
—expand United States private-sector investment and involvement in civil space and space related activities;
—promote international cooperative activities in the national interest; and
—cooperate with other nations in maintaining the freedom of space for activities which enhance the security and welfare of mankind.

The principles underlying the conduct of the United States space program, as outlined in the directive are:

—The United States is committed to the exploration and use of space by all nations for peaceful purposes and for the benefit of mankind. "Peaceful purposes" allow activities in pursuit of national security goals.

—The United States rejects any claims to sovereignty by any nation over space or over celestial bodies, or any portion thereof, and rejects any limitations on the fundamental right to acquire data from space.

—The United States considers the space systems of any nation to be national property with the right of passage through and operation in space without interference. Purposeful interference with space systems shall be viewed as an infringement upon sovereign rights.

—The United States encourages domestic commercial exploitation of space capabilities, technology, and systems for national economic benefit. These activities must be consistent with national security concerns, treaties, and international agreements.

—The United States will conduct international cooperative space-related activities that achieve scientific, political, economic, or national security benefits for the Nation.

—The United States space program will be comprised of two separate, distinct and strongly interacting programs—national security and civil. Close coordination, cooperation, and information exchange will be maintained among these programs to avoid unnecessary duplication.

—The United States Space Transportation System (STS) is the primary space launch system for both national security and civil government missions. STS capabilities and capacities shall be developed to meet appropriate national needs and shall be available to authorized users—domestic and foreign, commercial and governmental.

—The United States will pursue activities in space in support of its right of self-defense.

—The United States will continue to study space arms control options. The United States will consider verifiable and equitable arms control measures that would ban or otherwise limit testing and deployment of specific weapons systems, should those measures be compatible with United States national security.

Space Transportation System

The directive states that the space shuttle is to be a major factor in the future evolution of United States space programs and that it will foster further cooperative roles between the national security and civil programs to ensure efficient and effective use of national resources. The Space Transportation System (STS) is composed of the space shuttle, associated upper stages, and related facilities. The directive establishes the following policies governing the development and operation of the Space Transportation System:

—The STS is a vital element of the United States space program and is the primary space launch system for both United States national security and civil govern-

ment missions. The STS will be afforded the degree of survivability and security protection required for a critical national space resource. The first priority of the STS program is to make the system fully operational and cost-effective in providing routine access to space.

—The United States is fully committed to maintaining world leadership in space transportation with a STS capacity sufficient to meet appropriate national needs. The STS program requires sustained commitments by each affected department or agency. The United States will continue to develop the STS through the National Aeronautics and Space Administration (NASA) in cooperation with the Department of Defense (DoD). Enhancement of STS operational capability, upper stages, and methods of deploying and retrieving payloads should be pursued, as national requirements are defined.

—United States Government spacecraft should be designed to take advantage of the unique capabilities of the STS. The completion of transition to the shuttle should occur as expeditiously as practical.

—NASA will assure the shuttle's utility to the civil users. In coordination with NASA, the DoD will assure the shuttle's utility to national defense and integrate national security missions into the shuttle system. Launch priority will be provided for national security missions.

—Expendable launch vehicle operations shall be continued by the United States Government until the capabilities of the STS are sufficient to meet its needs and obligations. Unique national security considerations may dictate developing special-purpose launch capabilities.

—For the near term, the STS will continue to be managed and operated in an institutional arrangement consistent with the current NASA/DoD Memoranda of Understanding. Responsibility will remain in NASA for operational control of the STS for civil missions and in the DoD for operational control of the STS for national security missions. Mission management is the responsibility of the mission agency. As the STS operations mature, the flexibility to transition to a different institutional structure will be maintained.

—Major changes to STS program capabilities will require Presidential approval.

The Civil Space Program

In accordance with the provisions of the National Aeronautics and Space Act, the directive states that the civil space program shall be conducted:

—to expand knowledge of the Earth, its environment, the solar system, and the universe;

—to develop and promote selected civil applications of space technology;

—to preserve the United States leadership in critical aspects of space science, applications, and technology; and

—to further United States domestic and foreign policy objectives.

The directive states the following policies which shall govern the conduct of the civil space program:

—United States Government programs shall continue a balanced strategy of research, development, operations, and exploration for science, applications, and technology. The key objectives of these programs are to: (1) preserve the United States preeminence in critical space activities to enable continued exploitation and exploration of space; (2) conduct research and experimentation to expand understanding of: (a) astrophysical phenomena and the origin and evolution of the universe through long-lived astrophysical observation; (b) the Earth, its environment, its dynamic relation with the Sun; (c) the origin aand evolution ot the solar system through solar, planetary, and lunar sciences and exploration; and (d) the space environment and technology to advance knowledge in the biological sciences; (3) continue to explore the requirements, operational concepts, and technology associated with permanent space facilities; (4) conduct appropriate research and experimentation in advanced technology and systems to provide a basis for future civil applications.

—The United States Government will provide a climate conducive to expanded private-sector investment and involvement in space activities, with due regard to public safety and national security. These space activities will be authorized and su-

pervised or regulated by the Government to the extent required by treaty and national security.

—The United States will continue cooperation with other nations in international space activities by conducting joint scientific and research programs, consistent with technology transfer policy, that yield sufficient benefits to the United States, and will support the public, nondiscriminatory, direct readout of data from Federal civil systems to foreign ground stations and the provision of data to foreign users under specified conditions.

—The Department of Commerce, as manager of Federal operational space remote sensing systems, will: (1) aggregate Federal needs for these systems to be met by either the private sector or the Federal Government; (2) identify needed research and development objectives for these systems; and (3) in coordination with other departments or agencies, provide regulation of private sector operation of these systems.

The National Security Space Program

The directive states that the United States will conduct those activities in space that it deems necessary to its national security. National security space programs shall support such functions as command and control, communications, navigation, environmental monitoring, warning, surveillance, and space defense. The directive states the following policies which shall govern the conduct of the national security program:

—Survivability and endurance of space systems, including all system elements, will be pursued commensurate with the planned use in crisis and conflict, with the threat, and with the availability of other assets to perform the mission. Deficiencies will be identified and eliminated, and an aggressive, long-term program will be undertaken to provide more assured survivability and endurance.

—The United States will proceed with development of an antisatellite (ASAT) capability, with operational deployment as a goal. The primary purposes of a United States ASAT capability are to deter threats to space systems of the United States and its allies and, within such limits imposed by international law, to deny any adversary the use of space-based systems that provide support to hostile military forces.

—The United States will develop and maintain an integrated attack warning, notification, verification, and contingency reaction capability which can effectively detect and react to threats to United States space systems.

—Security, including dissemination of data, shall be conducted in accordance with Executive orders and applicable directives for protection of national security information and commensurate with both the missions performed and the security measures necessary to protect related space activities.

Inter-Program Responsibilities

The directive contains the following guidance applicable to and binding upon the United States national security and civil space programs:

—The national security and civil space programs will be closely coordinated and will emphasize technology sharing within necessary security constraints. Technology transfer issues will be resolved within the framework of directives, Executive orders, and laws.

—Civil Earth-imaging from space will be permitted under controls when the requirements are justified and assessed in relation to civil benefits, national security, and foreign policy. These controls will be periodically reviewed to determine if the constraints should be revised.

—The United States Government will maintain and coordinate separate national security and civil operational space systems when differing needs of the programs dictate.

Policy Implementation

The directive states that normal interagency coordinating mechanisms will be employed to the maximum extent possible to implement the policies enunciated. A Senior Interagency Group (SIG) on Space is established by the directive to provide a forum to all Federal agencies for their policy views, to review and advise on proposed changes to national space policy, and to provide for orderly and rapid referral of

space policy issues to the President for decisions as necessary. The SIG (Space) will be chaired by the Assistant to the President for National Security Affairs and will include the Deputy Secretary of Defense, Deputy Secretary of State, Deputy Secretary of Commerce, Director of Central Intelligence, Chairman of the Joint Chiefs of Staff, Director of the Arms Control and Disarmament Agency, and the Administrator of the National Aeronautics and Space Administration. Representatives of the Office of Management and Budget and the Office of Science and Technology Policy will be included as observers. Other agencies or departments will participate based on the subjects to be addressed.

Background

In August 1981 the President directed a National Security Council review of space policy. The direction indicated that the President's Science Adviser, Dr. George Keyworth, in coordination with other affected agencies, should examine whether new directions in national space policy were warranted. An interagency working group was formed to conduct the study effort and Dr. Victor H. Reis, an Assistant Director of the Office of Science and Technology Policy was designated as Chairman. The group addressed the following fundamental issues: (1) launch vehicle needs; (2) adequacy of existing space policy to ensure continued satisfaction of United States civil and national security program needs; (3) shuttle organizational responsibilities and capabilities; and, (4) potential legislation for space policy. The reports on the various issues formed the basis of the policy decisions outlined here.

The following agencies and departments participated: State, Defense, Commerce, Director of Central Intelligence, Joint Chiefs of Staff, Arms Control and Disarmament Agency, and the National Aeronautics and Space Administration, as well as the National Security Council staff and the Office of Management and Budget.

Letter to President Jacobo Majluta Azar of the Dominican Republic on the Death of President Antonio Guzmán Fernández

July 5, 1982

Dear Mr. President:

I was deeply saddened to learn of the tragic death of President Antonio Guzmán Fernández, a man, who was a good friend of the United States and who made a lasting contribution to the continuing growth of democracy and freedom in the Dominican Republic. As you assume your duties, I wish to assure you, the family of President Guzmán and the Dominican people that the United States shares your sense of loss and wishes to maintain the close cooperation and friendship which exists between our governments and peoples.

Sincerely,

RONALD REAGAN

Remarks and a Question-and-Answer Session at a Briefing on Federalism for State and Local Officials in Los Angeles, California

July 6, 1982

The President. Before turning to the question of federalism, I know that many of you here today share our great concern about the tragedy that's been occurring in Lebanon. And I thought I might give you just a brief update.

In recent days Ambassador Habib[1] and others have been working tirelessly to bring peace to that troubled region. We're dealing with extremely delicate and fast-moving negotiations to save West Beirut and to bring the withdrawal of all forces from Lebanon. The situation is too sensitive for detailed discussion, but I can report to you that this weekend in discussions with Mr. Habib the Government of Lebanon told us that a multinational force might be essential for temporary peacekeeping in Beirut and informally proposed that the United States consider making a contribution to that force.

The Lebanese Government has not made a formal proposal, but I have agreed in principle to contribute a small contingent of U.S. personnel, subject to certain conditions. The United States has pledged to do all that it can do to bring peace and stability to the Middle East, and we must keep that pledge.

Obviously, there's much work still to be done. I can't overemphasize the delicacy of these negotiations. I can only say that in coming days we'll press forward. And I can, once again, praise the work of Ambassador Habib, who has labored heroically in recent days.

And now we'll get back to federalism.

I know that I talked to some of you in Washington recently about this program and assured you then—and I will now assure those others who weren't present—that this is not, as you've probably already been told by two briefers—I have a feeling I'm plowing plowed ground here—but that this is not a budget-balancing gimmick. This is something that's been a dream of mine. It goes back a great many years, and particularly back to the days when I was a Governor growing increasingly frustrated with Federal redtape.

And we came up with the concept. We didn't present it as a finished plan, as some of you know, but we presented it as a plan as a beginning place for consultations with local officials, mayors, with State legislators, with county officials, and, of course, with Members of the Congress.

I have to say that I think the most reluctance we normally run into—and that is to be expected—is at the national level, where there is a built-in resistance to giving up activities or power at any time. Now, sometimes some of them are very sincere. They look at it and think, "Well, if we're asked to raise the funds as Congress, then we can't turn these funds over without exerting some control over how it is spent."

Of course, our answer to that is: Let's look forward to a day where they're not raising those funds, where the tax sources which were usurped by the Federal Government at the same time it usurped so many, once, State and local functions—they usurped the tax sources also. And so, the thing is to accompany the functions with the resources to pay for them.

Now, I'm going to be very brief here in my remarks, because I think we're going to have a dialog rather than my go on talking. But, you know, traveling the mashed potato circuit for many years—and I know that many of you have done the same thing—I have often quoted Thomas Jefferson in my protestations, then, against government intervention and big government, particularly, intervening. His line when he said—"Were we directed from Washington when to sow and when to reap, we should soon want for bread." And yet I never have put that—I had put that in the context of—as I'm sure many of you have—of intervention by, particularly, the Federal Government in things that were not its proper province. Would you like to hear that put in the context in which he said it?—because it's even more timely than it was in that supposed context in which I myself used it and perhaps many of you.

"Were not this great country already divided into states, that division must be made, that each might do for itself what concerns itself directly and what it can do so much better than distant authority. Every state is again divided into counties, each to take care of what lies within its local bounds; each county again into townships or wards to handle minute details. Were we directed from Washington when to sow and when to reap, we should soon want for bread."

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[1] *Ambassador Philip C. Habib, the President's emissary in consultations in the Middle East.*

So, we can claim that Jefferson was the first one to present the present Federal program.

And, as I say, I know that you must share in that frustration too. I could go on citing anecdotes here and examples of the frustration I felt sometimes at the Federal Government's insistence on doing it that way. And yet, I can understand now, being there, how, once they're entrusted with that, they feel that whatever problem comes up must be nationwide. They lose sight of the great diversity of this country. So, they pass a rule that's supposed to fit—I won't say South Succotash, Wisconsin, anymore, because everybody's started trying to find South Succotash—[*laughter*]—but to fit all these diverse 50 States and all the local communities within them.

And, as I say, since we've all shared in that frustration, why, you must have some questions that I hope haven't been answered already by Rich and Craig,[2] and fire away. I know there are microphones out there.

Unemployment

Q. Mr. President—[*inaudible*]—Oregon, and as you know, the Pacific Northwest has been particularly hard hit by unemployment and also by the economy, although I'm pleased to report to you our own indicators on unemployment started turning around in that State, as we heard yesterday. How does it look nationally? And what do you hope will be the first visible trend in that direction?

The President. Well again, I have to temper my optimism by pointing out that coming out of recessions, normally unemployment is the last thing that responds. It remains stagnant for a while. It has remained pretty much that way now for the last couple of months.

I've gotten into a thing where I go back and forth between the seasonally adjusted figures and the unadjusted figures. And they don't always match. And it confuses me somewhat by that. But I know that, in the month of June, there was an increase in the seasonally adjusted figures that was—I hope I have it right—but—no, they about stayed even—but anyway—I may be confused on that between the two in just recently reading them. But at the same time that we have this great unemployment, in June we increased the number of employed by 600,000 and the number of unemployed by 400,000. In other words, a million people, probably due to schools letting out and so forth, entered the job market. And 60 to 40, they found jobs, even in this time of great unemployment.

The other thing is that part of this is not just recession. Although that has hit, particularly in a State like your own, everything to do with construction and homebuilding—we know everything to do with automobiles, everything, then, to do with steel and rubber and things of that kind around them; those industries that are terribly hard hit—and we must lay that to the high interest costs.

But part of our problem would be here without recession. And that is the great expansion of the labor force. A higher percentage today of people of employable age is actually in the job force than ever before in our history; so that at the time we have this great unemployment, we still have over a hundred million people actually employed which, to me, gives some encouragement with regard to the economy. I would think, for your particular State—and I'm delighted to hear what you said, and it jives with the figures we received that in May home construction increased housing starts by 22 percent—and that would have a reflection immediately in a State as dependent on lumber as Oregon is.

So, I have to believe that all the other indices are that we've bottomed out in this recession. And slow though it may be and always is, there is the beginning of the upturn as—I'll be an I-told-you-so, saying we always predicted that in the third quarter it would, and increasingly so in the fourth.

Interest Rates

Q. President Reagan, let me follow up on that. I'm a county commissioner from Port-

[2] *Richard S. Williamson, Assistant to the President for Intergovernmental Affairs, and Craig L. Fuller, Assistant to the President for Cabinet Affairs.*

land, Oregon. As a student of Von Mesis—I'm sure you're familiar with Von Mesis, the economist—he was saying that the market should control the interest rates. Do you feel the Federal Reserve System is controlling—or putting interest rates higher than normally should be?

The President. No. I have to tell you we can't make a scapegoat of the Federal Reserve at this time. Since the first of the year, they've been working very hard on holding an even increase in the money supply. And some of this is supply and demand. The high interest rates—and I've been meeting with all manner of people in the financial world to discuss this problem. The available money—I mean, available borrowers who are willing to pay the high interest rates for short-term loans in business and industry to tide them over cash-flow problems and so forth, is such that there is a market there at the present interest rates for that money.

Now, we're hoping that we can do something that would help persuade them. One thing that has encouraged us is that throughout the country, here and there, there are groups of bankers, local bankers who themselves—it started with automobiles—that they got together and each put up a certain amount of money and said, "This is available for automobile loans at an interest rate that was well below the present market rate." And they said, "As long as this money lasts." And the upsurge in automobile buying in those areas was dramatic, to the point of being drastic.

Now, since then, there have been some local banks and groups of banks that have been doing this with regard to home mortgages, bringing them down to less than the market rate of interest, but putting up a specified amount of money and saying, "As long as this sum lasts, we'll do that." I'm just hoping that this will not only spread but that this might lead then to just the general reduction of interest.

Part of it is also psychological. They've still got to be convinced that we and the Congress intend to keep on hammering away at government spending to bring down inflation where it has been brought down.

Incidentally, you might all be interested to know—this is one of the figures that's overlooked—that in the decline of inflation over the last year, the increase in purchasing power for people at the poverty level is greater than all the benefits that were ever prescribed through government social programs. The $15,000-a-year family of four, that income has received about a thousand-dollar raise in purchasing power simply due to the drop in the inflation rate.

I'll get back there in a minute.

Flat Tax Rate

Q. Mr. President, I'm a legislator from Idaho. Our Congressman, George Hansen, has proposed a flat tax rate. Does your administration support that kind of a measure?

The President. Let me just say, we support looking at that. It's a very tempting thing, because let's all of us admit that probably there is more resistance to the income tax in America today, not from the amount of it, but from the complexity of trying to figure out what the amount should be, that the people are pretty fed up with something so complex that even the government has to warn that their own agents cannot be depended on to give you sound advice as to what your tax burden should be. I can remember when you used to go in there to them and just hand it to them, and they'd tell you what you owed and that was it. They can't even do it anymore. So, the flat rate does look tempting.

There are some other things. I know that many charities and educational institutions are concerned lest a flat rate doing away with that deductibility for them might dry up giving. I was concerned about that, but the more I think about it, we're the most generous people on Earth. I don't think that people would quit giving what they give simply because you've changed the system of taxation. After all, people were contributing to charity in America long before we had an income tax.

So, I think it is something worth looking at. Certainly, we've got to find some way to simplify the tax paying. I just got the figures the other day from the Treasury Department that out of the 4,112 people with million-dollar-a-year incomes in this country, a

million or above, about 40 of them used the simplified form this year.

The lady just behind you there.

Regional Council of Governments

Q. Mr. President, I want to thank you very much, and I admire you for trying to adhere to Thomas Jefferson's federalism program, and I'm all for it. But I am concerned about the third layer of government that we have called Regional Council of Governments. Do you have any plan to do away with that?

The President. Now, wait a minute. What was the term?

Q. The Regional—Regional Council of Governments?

The President. No. I do know this, that in an effort—as the Federal programs over the years grew and grew and became so complicated and so authoritarian in their directions, that some years ago an administration proposed and did start regionalizing, thinking that this would simplify and make it easier for States and local governments to go to a regional administrator of some of these programs than to have to go to Washington each time.

My own feeling is, that just further involved the Federal Government and, if anything, made it even more complicated than it was. But I can assure you that all of these things and such as that will be looked at as we go forward with this.

Federalism Initiative

Q. Mr. President, I'm Harley Hoppe from Seattle, Washington. We were invited here to learn about your concept of new federalism, and it's a concept I'm sure everyone here in the room will applaud and work very hard to promote. My question is, what is the single most important thing that we can take home to our area to help sell your new program?

The President. I would think the simplest thing and the simplest answer is that under the programs the way they are—and I remember in Governors' conferences getting frustrated at hearing some of my fellow Governors advocate that the answer to their distress was turn more over to the Federal Government, give it to the Federal Government, get away from—and I think some of that was a reluctance to be responsible for raising the funds themselves to handle these things at a different level, at their own level of government.

But the money was coming out of the same pockets and the same people—their own constituents, their own citizens in their State, their county, their local community. And when the Federal Government has to take it, the Federal Government dips deeper and takes more money for the same programs than will be spent on those programs if they are administered closer to the people. It is just a known fact that the percentage for administrative overhead to deliver a service to the people increases the higher you go in the echelons of government. So, when I said it wasn't a budget-balancing thing, but it is a budget-relieving thing for all of us.

At the local and the State level, as I learned, as I say, from my own experience, when you have to do it abiding by all of the redtape and the regulations of the Federal Government, it comes out more costly than if you had had the ability at your own State level to sit down with the problem and say, "How are we going to resolve this? What are we going to do?"

And what I think is that federalism will get rid of a gigantic layer of administrative overhead based in Washington. And maybe this is one of the reasons why so much of bureaucracy is opposed to this, because, you know, I think that poverty has become a career for a lot of well-paid people. [*Laughter*]

My goodness, I know he tells me I can only take one more question, so I'll take yours. But I also just wanted to say—it's been called to my attention that—I know this is a bipartisan gathering, but the Republican nominee for the United States Senate is here, the mayor of San Diego, Pete Wilson. Pete, where are you? Hey, good to see you. I'll bet if Pete gets there he'll support federalism. He's had to deal with it at the local level too.

Yes, sir.

Q. Mr. President, I'm a mayor. Only the mayors haven't spoken yet, and we, I think, would all say we thank you for the pass-through provision in the new federalism

proposal. We appreciate it.

The President. Well, that isn't a question, but thank you very much. I appreciate it.

Well, then I'll take the question back there.

Social Security

Q. Mr. President, Fred Adams from Colorado. I'm curious, has the administration taken a stand on the two pieces of legislation that would force the States, on the public employees retirement program where we have a program that—which would federalize it and throw it into social security? I can't see that this will help social security. But we're concerned; it will cost us a tremendous amount of money if we have to go this route.

The President. You didn't answer questions, huh, Rich? [*Laughter*]

I have to tell you that so far we've had no Cabinet meeting—the Cabinet Councils, which meet in those—who are interested in the particular subject—meet on some of these things before they come to an actual Cabinet meeting—then for final decision and where I'm involved. And I have not been involved in that, but I understand some of what your concern is.

May I also just say I'm leaving here to speak to a group of senior citizens with regard to social security, and I can say to you, as I'm going to say to them, that this has become such a political football every time someone's tried to deal with it. It is a program that—in 1977 they passed a tax increase and boasted that they had—for social security—that they had solved the problem of social security's fiscal integrity to the year 2015. Now, a couple of the tax increases have already gone into effect. There are a couple more in the coming years still to go into effect, in addition to increasing the amount of income against which the percentage of the tax is based—I think it winds up somewhere in the 60,000 range or above—that would be taxed for social security. And even with that, the biggest tax increase in our history, social security must have something done to restore its fiscal integrity before July 1983, or it will be out of money.

So, we've decided that just raising the taxes isn't the answer to that problem. And we have a task force that is to report back in December, made up of—bipartisan—of representatives appointed by Speaker O'Neill, by the leader of the Senate, Howard Baker, and by myself. And I don't know and have not inquired of them where they are in their deliberations.

But we think that there has to be a whole restructuring of social security. And I could tell you that, from my own view, I don't believe that the answer is just getting more people into it or involved in it. The one thing that I will say to you is—as I'm going to say to them also—the one thing that I've insisted on that in any plan that is drafted, there must be a guarantee that those people presently dependent on it are going to continue getting the benefits and the checks that they expect. There's no way that we can pull the rug out from those senior citizens who are totally dependent on this program. And we're not going to do it.

Now, they tell me that I've run out of time here. I'll have to keep straight now when I get to the next stop that I'm speaking to my own generation and not a mixture—[*laughter*]—of local and State officials here.

But thank you all again for coming here and the interest that you have shown in this. And if I could make one last appeal to you all, it is going to take you and the people at the grassroots to get this through the Congress. And I do know that when they hear from home, things happen. I've used the expression sometimes that, while it's nice to make them feel the light, it's better to make them feel the heat.

So, I'll count on those of you, even some who might not be sold yet, to keep your minds open and then let your Congressmen know that you want this federalism program and that the people who run the affairs of the cities, the counties, and the States, believe it or not, are just as compassionate and considerate of their fellow citizens as is the bureaucracy on the shores of the Potomac. I know that for a fact. And

you know it also.

So, God bless you, and thank you very much.

Note: The President spoke at 11:04 a.m. in the Beverly Hills Room at the Century Plaza Hotel.

Remarks and a Question-and-Answer Session With Senior Citizens in Los Angeles, California
July 6, 1982

The President. I'm delighted—whoops, I'm off my marks. [*Laughter*] They tell me I'm supposed to stand here, so I'll have to keep doing a circle here. But I just—please, sit down.

I just want to talk for a few minutes to you, and then maybe we can have a little dialog. And I know the whole thing has to be very short. But I walked in on your lunch today, because I've been very frustrated in Washington. I've been wanting to talk to people of my own generation so that we could talk about some of the misinformation that has come out with regard to one program in particular, social security. And if I was guilty of all the things with regard to social security that I've read about myself and heard said about myself, I wouldn't like me either. And I just want to tell you what the problem is and why it's being talked about and what we're trying to do about it.

The social security program, when it started, there were 16 people working for every retiree and paying the social security tax to support them. Today, there are only—well, a little under 2½ people working for each retiree. And this has presented financial problems. And in recent years, the Congress has tried to resolve those problems of fiscal stability by simply raising the tax and raising the percentage of income against which that tax is assessed.

In 1977 they passed the biggest single tax increase in our nation's history, and it is in installments. We've already had a couple. We had one in January; there'll be a couple more in the few years ahead. And they promised us that that made the program financially safe well into the year 2000—2015, exactly, they said. Well, we have to do something about the program, or it won't get past July of 1983.

Now, I'm not saying that to frighten anybody, because, believe me, the people today dependent on social security are going to continue getting their checks. And we're not going to let that rug be pulled out from under anyone dependent on that program.

I must say, the timing is right for me to be here since those of you who are getting social security got that cost-of-living pay raise on July 1st, also. I remember when they said we wouldn't, but we did.

Now, what we—it became such a political football, many people trying to make some political edge out of this, that what I finally settled for and got the concurrence of the Speaker of the House, Tip O'Neill, and the leader of the Senate, Howard Baker, and that is, we, between us, the three of us, appointed a commission which will come in in December with recommendations for a program as to how we meet the fiscal problems for the ongoing integrity of social security. And, again, I say with regard to that that the instructions that were given to them, and that I will still hold to, is that any program—and I think there are ways that this can be put on a sound basis—but whatever they do must agree with what I said just a moment ago to you, that any plan for a change in social security must not take away from those people dependent on that program today. That must be guaranteed. And we will stay with that.

And now, I've talked longer than I intended to, because I know that maybe some of you have said to yourselves, "Boy, if I could only ask him something or tell him something, I would say—" And if you have a question, fire away. I've got a few minutes left and—yes.

Q. [*Inaudible*] [*Laughter*]

The President. I'm glad you asked that. This gentleman asked me why did I change

my haircut. [*Laughter*] I didn't. I saw that article. I saw that article in the—that said that. And then they—two pictures they had of me. Well, the one was taken on a windy day outdoors, and the other one was taken with my hair combed. And, incidentally, I just washed my hair the night before last, so it's a little fluffy right now, but, no, the only thing that happened to me was I—there was a time this winter when I think, without my realizing it, he was letting it get a little longer than I like. And I took him to task and said, "Crop it the way it was."

And, no, it's the same haircut. I'm too old to change my haircut now. [*Laughter*] Honest. So——

Q. I like it.

The President. What? Okay. All right. Someone else?

Oh, there's a lady over there. Wait until he gets there with a microphone so everyone can hear the question.

[*To the previous questioner*] I'm glad you asked that. I've been very self-conscious. [*Laughter*]

Q. When you have press releases in the East Room, or whatever the room is called, there are a lot of press people, and they all raise their hands. And it's interesting to know which ones you pick and how you pick them. I mean, should they be numbered so that they know they're going to be chosen, or do they just write them on the cuff and you take a chance? [*Laughter*]

The President. You all hear the question there? Well, let me tell you. This is one that—and I've confessed to them that it bothers me very much. There are hundreds who are accredited as White House correspondents who are there. There are two automatic—the first two questions come, alternating which is first and second in each press conference, between the representative of the United Press and the representative of the Associated Press. So, those two ask the first questions. From then on it's up to me.

And I know that there are going to be dozens and dozens more hands raised than I can possibly recognize. So, really I just simply kind of try to spread it around. I start it in the middle, and I start in here and there's—they are in three sections—and I try to take some from each section, and I leave with more hands up than were recognized.

We did try at the beginning—and it was a press suggestion—very early on, the press suggested why not draw lots, that we draw numbers and they all have numbers and then just simply say, "All right. This number." Well, we did it once, and the press said they didn't like it. So, I don't know any other way.

The other night after the last press conference I did say to our people, why don't we suggest that those who have gone to several press conferences and never been recognized out of all those hands, put their names down and then a few of those each press conference we automatically call on by name—as well as just hitting it like I'm hitting it here—[*laughter*]—to just—wherever the hand is up.

But it bothers me. It's the hardest thing in the world when the Dean of the Press Corps stands up and says "Thank you," which indicates the press conference is over, to know that I'm walking away from dozens and dozens of hands that I haven't been able to recognize.

Yes, ma'am. Let's see. Take that one as long as the microphone's there. And then——

Q. Mr. President, I would like to know from you if you are really sure that Hinckley is insane.

The President. I'll tell you, the only comment I can make to that is that a court of justice had its way, with a jury and a judge, and they found that verdict. And so we stay with it. And I just don't feel that I can comment on that.

But here's a—I've been kind of leaning to the left here, haven't I? I better——

Q. Mr. President, I'm in a musical comedy and with veteran performers, and they're all over 60 years old. And after each performance, I get—many people come to me and say, "You certainly favor Nancy Reagan," your wife. Do you think so? [*Laughter*]

The President. Yes, I can see why they say that. Yes, I can. Right. And I shall tell her. [*Laughter*] I look forward to telling her. This is her birthday today.

Let me—is there someone over—yes.

Q. Mr. President, as a member of your task force—Presidential task force, I would like to let you know that in the symposium on social security we are informed—I want you just please to verify—there are 170 million people putting into the security system, and only 65 million are drawing out of it. So, they say there's no fear of ever draining or bankruptcy of the social security system.

And one more, Mr. President. This is my opportunity to see you in person. I have always talked to you on the pay telephone. And I'm very happy for that.

One thing more is about the nutrition program, that exactly fearing that too many cutbacks had been placed in it. And therefore, Mr. President, be compassionate—not to cut our very important benefits for the senior citizens. Thank you, Mr. President.

The President. Thank you. And no, we will not either.

They tell me I can take one more question. The lady right there. Say, gentlemen, you're sitting back here and letting the ladies—[*laughter*]. This is the last question I can take.

Q. Mr. President, I just only want to tell you that I met you in Santa Maria over—[*inaudible*]—and I do not know if you remember me, but I remember you when you were Governor. And also, now I am very glad to meet you as a President. So, my congratulations.

The President. Well, thank you very much.

Well, that wasn't a question, so I'll take a—is there a——

Q. [*Inaudible*]

The President. Well, I know I won't have time to do much of that, but, since you asked about the haircut—[*laughter*]—well, is there—what? Oh, here's a gentleman right here with a question. This'll have to be the last question. Well, here's a gentleman right over here with a question that we'll—and that'll have to be it.

Q. Mr. President, you and I met in pictures. I worked in pictures. And when you were Governor of California, every year you sent my late wife and I congratulations. And I've still got the one that you remembered to—it's nice to see you. God bless you.

The President. Well, thank you very much. It's nice to see you, sir.

Q. My name is Jack Smith. Thank you, Mr. President.

The President. Thank you very much.

Let me just say a word here, if I can. I've said this on occasion before—told a little incident.

You know, everyone today emphasizes youth so much. And there've been so many of us—I know that young people, we were the same way—you kind of challenge the things that you've learned from the people that went before and the mores and the customs and everything. I get concerned sometimes that there's a tendency to throw away some of the values just because they're old without recognizing that they have true worth or they wouldn't be around.

But one day back in those riotous days—the universities were in flames and so forth—while I was Governor—and if I went to a campus, I'd start a riot. But some student leaders from the University of California campus demanded to see me as Governor. And I was delighted, because, as I say, I couldn't talk to them otherwise.

Well, they came to see me. And they kind of—some of them were barefoot, the custom of that day in those riotous times. And they all sat around, and one of them was the spokesman. And he said, "Governor, it's impossible for you to understand our generation." Well, I tried to pass it off. I said, "We know more about being young than we do about being old." And he said, "No, I'm serious. He said, "You can't understand your own sons and daughters." And I—he went on then.

He said, "You didn't grow up in an age of instant electronics, of jet travel, of space travel, and journeys to the Moon. You didn't have . . ." and he went on with all the things—cybernetics and all the things that we didn't have and so forth. And he talked just long enough—usually, you know, you don't think of the answer till they're gone—but he talked just long enough that, when he finished, I said, "You're absolutely

right. Our generation, we didn't have those things when we were your age. We invented them." [*Laughter*]

And just stop and think about it. We did. In our lifetime, all those miracles they were talking about came in to be. I can remember my first automobile ride. Up until then, it had been horses and buggies. And now, the other day, I'm out watching those fellows come back from outer space. When we got on the platform to see them land, they told me it was 20 minutes till landing. Do you know where they were 20 minutes before they landed? Just crossing over the Hawaiian Islands. And in 20 minutes, they were at Edwards Air Force Base.

But I'll tell you, if I could just say it—and then I'm going to get out of here, because I know I'm running late for the next stop—I'm very proud to be here because—I want to say this about our generation. There are generations that preside over transition periods like this, when there are great changes in the world. And we've been one of those. And no generation in history, no people have ever fought harder, paid a higher price for freedom, or done more to advance the dignity of man than our generation. And I'm not going to apologize to anyone for what we've done with our lives so far.

God bless you all, and thank you very much.

Note: The President spoke at 12:04 p.m. in the cafeteria of the Angelus Plaza Agape Center to senior citizen members of the center.

Following his appearance at the luncheon, the President attended a luncheon and meeting with the Los Angeles Times editorial board at the Old Times Building.

The President left Los Angeles on July 7 and returned to Rancho del Cielo, his ranch near Santa Barbara, Calif.

Proclamation 4952—P.O.W.-M.I.A. Flag
July 6, 1982

By the President of the United States of America

A Proclamation

Friday, July 9, 1982 has been designated as "National P.O.W.-M.I.A. Recognition Day, 1982." It is a fitting mark of recognition of the uncommon sacrifices of all former American prisoners of war, those still missing, and their families, that a P.O.W.-M.I.A. flag fly over the White House and the Pentagon.

Now, Therefore, I, Ronald Reagan, President of the United States of America, by the authority vested in me by the Constitution as President and Commander in Chief of the armed forces, do hereby proclaim that a P.O.W.-M.I.A. flag shall be flown, subordinate to the National Colors, over the White House and the Pentagon on National P.O.W.-M.I.A. Recognition Day, Friday, July 9, 1982.

I invite other government officials and individuals to join in this special mark of recognition and to participate in appropriate observances.

In Witness Whereof, I have hereunto set my hand this sixth day of July, in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 10:43 a.m., July 7, 1982*]

Appointment of Eight Members of the President's Task Force on Victims of Crime, and Designation of Chairman
July 6, 1982

The President today announced his intention to appoint the following individuals to be members of the President's Task Force on Victims of Crime. He also announced his intention to designate Lois Haight Herrington as Chairman. These are all new positions.

Lois Haight Herrington is an attorney at law. She was deputy district attorney, Alameda County, Oakland, Calif., in 1976–1981. She graduated from the University of California at Davis (A.B., 1961) and the University of California, Hastings College of Law (LL.B., J.D. 1965). She is married, has two children, and resides in McLean, Va. She was born December 6, 1939.

Frank Carrington is serving as executive director of the Victims Assistance Legal Organization (VALOR) in Virginia Beach, Va. He graduated from the University of Michigan Law School and received his masters of law degree in criminal law from Northwestern University Law School. He is married, has four children, and resides in Virginia Beach, Va. He was born May 11, 1936.

James P. Damos is serving as chief of police, city of University City, Mo. He graduated from St. Louis University (B.S., 1944). He is married, has two children, and resides in University City, Mo. He was born September 23, 1919.

Doris Dolan is president and founder of Laws at Work. She is founder and is serving as secretary-project director of the National Education Institution. She attended Hastings College in Los Angeles, Calif. She has two children and resides in Los Angeles. She was born February 24, 1921.

Kenneth O. Eikenberry is serving as attorney general for the State of Washington. He graduated from Washington State University (B.A., 1954) and the University of Washington School of Law (LL.B., 1959). He is married and resides in Olympia, Wash. He was born June 29, 1932.

Robert J. Miller is serving as district attorney for Clark County, Nev. He graduated from Santa Clara University (B.A., 1967) and Loyola School of Law, Los Angeles, Calif. (J.D., 1971). He is married, has two children, and resides in Las Vegas, Nev. He was born March 30, 1945.

Dr. M. G. Robertson is president of the Christian Broadcasting Network, Virginia Beach, Va. He graduated from Washington and Lee University (B.A., 1950), Yale University Law School (J.D., 1955), and the New York Theological Seminary (M. Div., 1959). He is married, has four children, and resides in Portsmouth, Va. He was born March 22, 1930.

Dr. Stanton E. Samenow is a clinical psychologist. He graduated from Yale University (B.A., 1963) and the University of Michigan (M.A., 1964; Ph. D., 1968). He is married, has two children, and resides in Falls Church, Va. He was born October 16, 1941.

Message to the House of Representatives Returning Without Approval a United States Copyright Bill
July 8, 1982

To the House of Representatives:

I am returning without my approval H.R. 6198, a bill that would extend for four years the "manufacturing clause" of the U.S. copyright law that expired on June 30, 1982.

The manufacturing clause requires that many printed materials be printed in the United States in order to enjoy copyright protection. The clause was written into law nearly a century ago, in an effort to strengthen our relatively new printing industry by limiting foreign competition. However, the "infant industry" justification for protecting our printing industry is no longer valid; our industry is now one of the most modern and efficient in the world.

During the recent Tokyo Round of Multilateral Trade Negotiations, our trading partners objected to the manufacturing clause

as inconsistent with our international obligations. Extension of the clause, as provided in H.R. 6198, could result in increased international trade tensions that could endanger American jobs. I would further note that if the printing or publishing industry believes itself injured, or threatened by injury, due to the expiration of the manufacturing clause, it has the option of requesting relief under the Trade Act.

My Administration has placed a very high priority on strengthening free trade, and we are energetically seeking to remove artificial foreign barriers to American exports. We are confident that our free enterprise system will enable American products to face foreign competition in our own open market and to do well in markets overseas, provided our access to those markets is not blocked by protectionist barriers that distort international competition.

Given the importance of our efforts to remove foreign trade barriers, it would be self-defeating to extend an artificial barrier of our own. For these reasons, I cannot approve H.R. 6198.

RONALD REAGAN

The White House,
July 8, 1982.

Note: On July 13 the House of Representatives and the Senate voted to override the President's veto. As enacted, H.R. 6198 is Public Law 97-215.

Nomination of Philip Abrams To Be an Assistant Secretary of Housing and Urban Development

July 8, 1982

The President today announced his intention to nominate Philip Abrams to be an Assistant Secretary of Housing and Urban Development. He would succeed Philip D. Winn. In this capacity he will serve as the Federal Housing Commissioner.

Since March 1981 Mr. Abrams has been serving as Deputy Assistant Secretary for Housing and Urban Development. Prior to his position in the administration, he was a developer and builder in the general contracting business for 16 years. He was treasurer, Abreen Corp., Needham Heights, Mass., in 1966–1981. He was superintendent and project manager of Poley-Abrams Corp., Brookline, Mass., in 1965–1966. He is a past president of the Associated Builders and Contractors of America.

He graduated from Williams College (B.A., 1961). He is married, has three children, and resides in West Newton, Mass. He was born November 13, 1939.

Executive Order 12370—Establishment of Emergency Board No. 194 To Investigate a Railroad Labor Dispute

July 8, 1982

Creating an Emergency Board To Investigate a Dispute Between the Brotherhood of Locomotive Engineers and Certain Railroads Represented by the National Carriers' Conference Committee of the National Railway Labor Conference

A dispute exists between the Brotherhood of Locomotive Engineers and certain railroads represented by the National Carriers' Conference Committee of the National Railway Labor Conference designated on the list attached hereto and made a part hereof.

This dispute has not heretofore been adjusted under the provisions of the Railway

Labor Act, as amended; and

This dispute, in the judgment of the National Mediation Board, threatens substantially to interrupt interstate commerce to a degree such as to deprive a section of the country of essential transportation service.

Now, Therefore, by the authority vested in me by Section 10 of the Railway Labor Act, as amended (45 U.S.C. 160), it is hereby ordered as follows:

Section 1. Establishment of the Board. There is established effective July 10, 1982, a board of three members to be appointed by the President to investigate this dispute. No member of the board shall be pecuniarily or otherwise interested in any organization of railroad employees or any carrier.

Sec. 2. Report. The board shall report its finding to the President with respect to the dispute within 30 days from the date of its creation.

Sec. 3. Maintaining Conditions. As provided by Section 10 of the Railway Labor Act, as amended, from the date of the creation of the Emergency Board and for 30 days after the board has made its report to the President, no change, except by agreement, shall be made by the carriers or by their employees, in the conditions out of which the dispute arose.

RONALD REAGAN

The White House,
July 8, 1982.

[*Filed with the Office of the Federal Register, 8:45 a.m., July 9, 1982*]

Note: The list of railroads attached to Executive Order 12370 is printed in the Federal Register *of July 12, 1982.*

Announcement of the Establishment of Emergency Board No. 194 To Investigate a Railroad Labor Dispute

July 8, 1982

The President announced today that he is establishing, effective July 10, 1982, Presidential Emergency Board No. 194 to investigate and make recommendations for settlement of a current dispute between the Brotherhood of Locomotive Engineers (BLE) and most of the Nation's major railroads represented by the National Railway Labor Conference (NRLC).

The President, by Executive order, is establishing the Emergency Board on recommendation of the National Mediation Board. A strike by the BLE threatens substantially to interrupt interstate commerce to a degree such as to deprive a section of the country of essential transportation service. Carriers represented by NRLC operate approximately 90 percent of total U.S. railroad trackage and serve all of the contiguous States except Rhode Island. Last year, railroads carried 38 percent of all intercity freight, and their share of this market has increased in recent years. A strike would have a severe impact on movement of Department of Defense material, coal, winter wheat, and intercity rail passengers, among other things.

Consequently, the President invoked the emergency board procedures of the Railway Labor Act, which in part provide that the Board will report its findings and recommendations for the settlement to the President within 30 days from the date of its establishment. The parties must then consider the recommendations of the emergency board without engaging in self-help during a subsequent 30-day period.

Appointment of the Membership of Emergency Board No. 194 To Investigate a Railroad Labor Dispute

July 9, 1982

The President today announced his intention to appoint the following individuals to be members of Presidential Emergency Board No. 194 to investigate and make recommendations for settlement of a current dispute between the Brotherhood of Locomotive Engineers (BLE) and most of the Nation's major railroads represented by the National Railway Labor Conference (NRLC).

Arnold R. Weber, who will serve as Chairman. He is currently serving as president of the University of Colorado. He resides in Boulder, Colo.

Daniel Quinn Mills is serving as professor of business administration at Harvard Graduate School of Business Administration. He resides in Winchester, Mass.

Jacob Seidenberg is an attorney specializing in industrial relations. He resides in Falls Church, Va.

Statement on United States Actions Concerning the Conference on the Law of the Sea

July 9, 1982

The United States has long recognized how critical the world's oceans are to mankind and how important international agreements are to the use of those oceans. For over a decade, the United States has been working with more than 150 countries at the Third United Nations Conference on Law of the Sea to develop a comprehensive treaty.

On January 29 of this year, I reaffirmed the United States commitment to the multilateral process for reaching such a treaty and announced that we would return to the negotiations to seek to correct unacceptable elements in the deep seabed mining part of the draft convention. I also announced that my administration would support ratification of a convention meeting six basic objectives.

On April 30 the conference adopted a convention that does not satisfy the objectives sought by the United States. It was adopted by a vote of 130 in favor, with 4 against (including the United States) and 17 abstentions. Those voting "no" or abstaining appear small in number but represent countries which produce more than 60 percent of the world's gross national product and provide more than 60 percent of the contributions to the United Nations.

We have now completed a review of that convention and recognize that it contains many positive and very significant accomplishments. Those extensive parts dealing with navigation and overflight and most other provisions of the convention are consistent with United States interests and, in our view, serve well the interests of all nations. That is an important achievement and signifies the benefits of working together and effectively balancing numerous interests. The United States also appreciates the efforts of the many countries that have worked with us toward an acceptable agreement, including efforts by friends and allies at the session that concluded on April 30.

Our review recognizes, however, that the deep seabed mining part of the convention does not meet United States objectives. For this reason, I am announcing today that the United States will not sign the convention as adopted by the conference, and our participation in the remaining conference process will be at the technical level and will involve only those provisions that serve United States interests.

These decisions reflect the deep convic-

tion that the United States cannot support a deep seabed mining regime with such major problems. In our view, those problems include:

—Provisions that would actually deter future development of deep seabed mineral resources, when such development should serve the interest of all countries.

—A decisionmaking process that would not give the United States or others a role that fairly reflects and protects their interests.

—Provisions that would allow amendments to enter into force for the United States without its approval. This is clearly incompatible with the United States approach to such treaties.

—Stipulations relating to mandatory transfer of private technology and the possibility of national liberation movements sharing in benefits.

—The absence of assured access for future qualified deep seabed miners to promote the development of these resources.

We recognize that world demand and markets currently do not justify commercial development of deep seabed mineral resources, and it is not clear when such development will be justified. When such factors become favorable, however, the deep seabed represents a potentially important source of strategic and other minerals. The aim of the United States in this regard has been to establish with other nations an order that would allow exploration and development under reasonable terms and conditions.

Nomination of Gary L. Bauer To Be a Deputy Under Secretary of Education

July 9, 1982

The President today announced his intention to nominate Gary L. Bauer to be Deputy Under Secretary for Planning and Budget, Department of Education. He would succeed Gary L. Jones.

He is currently serving as Deputy Assistant Director for Legal Policy, Office of Policy Development, the White House. He was policy analyst in the Office of Policy Development from January 1981 until June 1982. He served as Assistant Director for Policy/Community Services Administration in the Office of the President-elect. Prior to that, he was a senior policy analyst for the Reagan-Bush Committee. He was director of government relations for the Direct Mail Marketing Association in 1973–1980. In 1969–1973 he was assistant director of opposition research at the Republican National Committee.

He graduated from Georgetown University (B.S., 1968) and Georgetown University Law School (JJ.D., 1973). He is married, has two children, and resides in Fairfax, Va. He was born May 4, 1946.

Nomination of Nicholas Platt to be United States Ambassador to Zambia

July 9, 1982

The President today announced his intention to nominate Nicholas Platt to be Ambassador to the Republic of Zambia. He would succeed Frank G. Wisner.

In 1959 Mr. Platt was research assistant at the Washington Center for Foreign Policy Research. He entered the Foreign Service in 1959 as consular officer in Windsor. He

studied Chinese language at the Foreign Service Institute in 1962–1963 and in Taichung in 1963–1964. He was political officer in Hong Kong from 1964 to 1968. In the Department he was China desk officer in the Bureau of East Asian and Pacific Affairs in 1968–1969, Chief of Asian Communist Areas Division in the Bureau of Intelligence and Research in 1969–1971, and Deputy Director, then Director of the Executive Secretariat in 1971–1973. In 1973–1974 he was Chief of the Political Section in Beijing (formerly Peking), and Deputy Chief of the Political Section in Tokyo in 1974–1977. He was Director for Japanese Affairs in the Bureau of East Asian and Pacific Affairs in the Department in 1977–1978. In 1978–1980 he was staff member of the National Security Council at the White House, and Deputy Assistant Secretary of Defense for International Security Affairs at the Department of Defense in 1980–1981. Since 1981 he has been Deputy Assistant Secretary of State for International Organization Affairs in the Department.

Mr. Platt graduated from Harvard College (B.A., 1957) and Johns Hopkins University School of Advanced International Studies (M.A., 1959). His foreign languages are Chinese (Mandarin), German, French, and Japanese. He is married, has three children, and resides in Washington, D.C. He was born March 10, 1936.

Nomination of Three Judges of the United States Tax Court
July 9, 1982

The President today announced his intention to nominate the following individuals to be United States Tax Court Judges:

Mary Ann Cohen, of California. She will succeed Cynthia Holcomb Hall. Since 1969 she has been a member of the law firm of Abbott & Cohen in Los Angeles, Calif., and was employed by Louis Lee Abbott, Esq., from 1967 to 1969. Ms. Cohen received a B.S. degree from the University of California at Los Angeles in 1964 and a J.D. degree from the University of Southern California Law Center in 1967. She is single and resides in Santa Monica, Calif. She was born on July 16, 1943.

Lapsley Walker Hamblen, Jr., of Virginia. He will succeed Sheldon V. Ekman. Since April of 1982, Mr. Hamblen has served as Deputy Assistant Attorney General of the Tax Division of the Department of Justice. From 1957 to 1982, Mr. Hamblen was a partner in the firm of Caskie, Frost, Hobbs & Hamblen in Lynchburg, Va. Prior to that time, he served as an attorney-adviser to the Tax Court of the United States in Washington, D.C., and as a trial attorney in the Regional Counsel's Office of the Internal Revenue Service in Atlanta, Ga. Mr. Hamblen attended Georgia Institute of Technology and the University of Virginia, where he received a B.A. degree in 1949. He received his LL.B. degree in 1953 from the University of Virginia School of Law. He is married and resides in Alexandria, Va. He was born on December 25, 1926.

James Harlan Stamper, of Missouri. He will succeed Irene Feagin Scott. Since 1962 he has been a partner and a shareholder-director with the law firm of Morris, Larson, King, Stamper and Bold in Kansas City, Mo. From 1962 to 1966, he was a lecturer in taxation at Rockhurst College in Kansas City, Mo. Prior to that time, he was an associate with the law firm of Sebree, Shook, Hardy & Ottman, 1960–1961; instructor, University of Kansas City, 1960–1961; lecturer and instructor, Washburn University of Topeka, Kans., 1959–1960; staff accountant, Brelsford, Gifford, Hardesty and Batz, Topeka, Kans., 1958–1959; and income tax examiner, State of Kansas Department of Revenue, 1956–1957. He received an A.B. degree from the University of Kansas in 1956 and an LL.B. degree from Washburn University of Topeka, Kans., in 1960. He is married, has two daughters, and resides in Kansas City, Mo. He was born on March 24, 1934.

Note: Mr. Stamper's nomination, which was submitted to the Senate on July 12, was withdrawn by the President on September 23.

Statement on the Termination of United States Economic Sanctions Against Argentina
July 12, 1982

I have ordered termination of economic sanctions against Argentina, effective today, July 12. These sanctions, which were imposed April 30, include withholding of new Export-Import Bank credits, insurance, and guarantees, and new Commodity Credit Corporation guarantees. I have made this decision after a thorough review of the situation in the South Atlantic following the cessation of hostilities. It is important now for all parties involved in the recent conflict to put the past behind us and to work for friendship and cooperation. The United States, for its part, will do all it can to strengthen its historic ties among nations of this hemisphere.

Message to the Congress Transmitting the Annual Report on the Trade Agreements Program
July 12, 1982

To the Congress of the United States:

I am pleased to submit this Twenty-Fifth Annual Report on the Trade Agreements Program 1980/81. In accord with Section 163 of the Trade Act of 1974, it provides detailed reports on specified trade-related programs. In addition to reporting on the full 1980 calendar year, this Report presents new trade policies and activities the Administration has undertaken in the Fiscal Year 1981.

As the U.S. economy has become more international in the past decade, foreign trade has an increasingly important role to play. The value of exports increased fivefold in the past ten years so that now 19 percent of U.S. goods is sold abroad. In 1980, five million jobs were related to exports; up from 3.5 million jobs in 1970. Because of the importance of foreign trade to the U.S. economy, support for a more open trading system is the cornerstone of our trade policy. This Report begins with a comprehensive statement of U.S. trade policy reaffirming both our commitment to trade liberalization and our resolution to secure compliance with international trade law and agreements on the part of our trading partners.

For this policy of open markets to be effective, U.S. firms need to be assured that foreign markets are free from barriers and distortions. This report relates how we have dealt with violations of this nature in our bilateral relations with our trading partners, and in our participation in multilateral fora, such as the OECD and the GATT. We will continue to be vigilant in identifying distortions relating to trade and investment, such as export subsidies, export performance and local content requirements, creeping bilateralism, and excessive use of safeguards. We will be persistent in resisting the use of such practices by our trading partners, and insist on their adherence to international trade laws and responsibilities. We will also be identifying important new areas of the world economy that are ripe for formal international trade disciplines, especially in service sectors.

Trade liberalization is the responsibility of all nations, although the differing levels of development may make it difficult to define the equitable reductions in tariff and nontariff barriers that developing countries should undertake. We are convinced that trade can have greater leverage for improving their economies and their relations with us than development assistance. In 1980, for example, earnings from trade with the United States were twice the value of aid received from all bilateral and multilateral

sources by the non-OPEC developing countries. As these countries evolve into mature international traders capable of greater liberalization, we will encourage their adoption of more fully reciprocal conditions of trade with us.

Equally challenging is the development of equitable trade relations with the nonmarket economies. With these countries, the United States seeks to develop mutually beneficial commercial relations in the context of responsible international political behavior.

The process of liberalizing trade and extending international disciplines is a challenging one, but it is one that offers important opportunities to improve the economic welfare of our own country as well as realize our national commitment to promoting economic development abroad.

RONALD REAGAN

The White House,
July 12, 1982.

Note: The report is entitled "Twenty-fifth Annual Report of the President of the United States on the Trade Agreements Program—1980–1981" (Government Printing Office, 199 pages).

Nomination of Edward A. Knapp To Be an Assistant Director of the National Science Foundation

July 12, 1982

The President today announced his intention to nominate Edward A. Knapp to be an Assistant Director of the National Science Foundation. He would succeed William Klemperer.

He is currently serving as division leader, accelerator technology division, University of California, Los Alamos National Laboratory. He was alternate division leader in 1976–1978. Prior to that, he served as associate division leader. He has been with the University of California, Los Alamos Scientific Laboratory, since 1958. He was guest scientist, U.S.-Japanese Cooperative Cancer Research Program (NCI) in 1979 and guest scientist, U.S.A.-U.S.S.R. Exchange Program in Fundamental Properties of Matter in 1978. He graduated from Pomona College (A.B., 1954) and the University of California, Berkeley (Ph. D., 1958).

He is married, has four children, and resides in Los Alamos, N. Mex. He was born March 7, 1932.

Remarks to Reporters on the Proposed Constitutional Amendment for a Balanced Federal Budget

July 12, 1982

The President. The Vice President and these Senators—these Members, these Representatives in the House are here with me today for an announcement. And let me warn you now, there won't be any questions. I just wanted to make this announcement.

Nearly 3 months ago, I told the American people that we'd made dramatic progress in reducing the growth of Federal spending, but that we need more time to get the job done. For too long the legislative process has simply been overwhelmed by the powerful and relentless pressures for more spending. So, I asked the Congress to pass, as soon as possible, a constitutional amendment requiring that it balance the Federal budget.

Today, I have met with these key leaders pushing this bipartisan initiative in the

House and Senate. On behalf of the public and our administration, I express to them our gratitude, the urgency we feel, and my eagerness to do everything I can to ensure their success.

Senate debate on the proposed resolution will begin this afternoon. We're asking Majority Leader Baker, Senators Thurmond, Hatch, DeConcini, and Helms, as leaders of the 61 cosponsors, to help us secure its passage as rapidly as possible. I understand that Representatives Conable and Jenkins, who are here, are filing a discharge petition so the full House can consider their resolution. Then we send the amendment on to the States.

All over America, citizens are asking each other the same question: Why is this government incapable of doing what their families, municipalities, and State governments do as a matter of course—spend within the limits of their revenues? Twenty-one unbalanced budgets in 22 years is proof that our Federal budgetary system needs fundamental reform. We must not and we will not, permit prospects for lasting economic recovery to be buried beneath an endless tide of red ink. Americans understand that the discipline of a balanced budget amendment is essential to stop squandering and overtaxing. And they're saying the time to pass the amendment is now.

And with that, just a "thank you" to these gentlemen here with me and to their colleagues for all that they're doing to make this come about. And we intend that it shall come about once and for all.

And that's the end of statement and the end of our appearance here. Thank you all.

Q. Mr. President, why is your midyear economic forecast more pessimistic than the one earlier this year?

The President. I can't take any questions. If I open that up, we'll have a press conference here. So——

Q. Why don't you balance it now?

The President. Well, because I think that the built-in spending increase is too much for that. The amendment will speak for itself.

Q. How long will it take the States to ratify it?

The President. You see, if I stay here, I can't shake hands with anybody.

Q. Any final words for us?

Q. Why did you fire Haig?

Q. What about lifting the sanctions on Argentina?

Q. Grain sale?

The President. No.

Note: The President spoke at 1:34 p.m. in the Rose Garden at the White House. Prior to his remarks, he held a luncheon meeting with the Members of Congress and administration officials who accompanied him into the Rose Garden for the announcement.

Executive Order 12371—Amending the Generalized System of Preferences

July 12, 1982

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, including Title V of the Trade Act of 1974 (the Trade Act) (88 Stat. 2066, 19 U.S.C. 2461 *et seq.*), as amended, Section 604 of the Trade Act (88 Stat. 2073, 19 U.S.C. 2483), and as President of the United States of America, in order to modify the limitations on preferential treatment for eligible articles from countries designated as beneficiary developing countries and to adjust the original designation of eligible articles, and in particular in order to clarify that certain import sensitive articles are and since the enactment of the Trade Act of 1974 have been precluded from eligibility for duty-free treatment pursuant to section 503(c)(i) of the Trade Act, it is hereby ordered as follows:

Section 1. In order to subdivide the nomenclature of existing items for purposes of the Generalized System of Preferences

(GSP), the Tariff Schedules of the United States (TSUS) (19 U.S.C. 1202) are modified as provided in Annex I, attached hereto and made a part hereof.

Sec. 2. Annex II of Executive Order No. 11888 of November 24, 1975, as amended, listing articles that are eligible for benefits of the GSP when imported from any designated beneficiary developing country is amended by adding in numerical sequence TSUS item numbers 688.32 and 688.34 created by Annex I of this Order, and by deleting TSUS items 688.35 and 688.44.

Sec. 3. Annex III of Executive Order No. 11888, as amended, listing articles that are eligible for benefits of the GSP when imported from all designated beneficiary developing countries except those specified in General Headnote 3(c)(iii) of the TSUS, is amended by deleting TSUS item 688.45 therefrom and inserting in lieu thereof TSUS item 688.43.

Sec. 4. General Headnote 3(c)(iii) of the TSUS, listing articles that are eligible for benefits of the GSP except when imported from the beneficiary countries listed opposite those articles, is modified by deleting "688.45 . . . Hong Kong" therefrom and inserting "688.43 . . . Hong Kong" in lieu thereof.

Sec. 5. In order to provide staged reductions in the rates of duty for those new TSUS items created by Annex I to this Order, Annex III to Proclamation 4707 of December 11, 1979, is amended by Annex II to this Order, attached hereto and made a part hereof.

Sec. 6. Whenever the column 1 rate of duty in the TSUS for any item specified in Annex I to this Order is reduced to the same level as, or to a lower level than, the corresponding rate of duty inserted in the column entitled "LDDC" by Annex I of this Order, the rate of duty in the column entitled "LDDC" for such item shall be deleted from the TSUS.

Sec. 7. In order to correct a typographical error in Executive Order No. 12354 of March 30, 1982, Annex I thereto is modified by inserting in the column of rates to be inserted in the Rates of Duty 2 column of the TSUS for item 661.14 the rate "35% ad val.".

Sec. 8. The amendments made by this Order are effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after the day following the date of this Order, and for all articles previously entered for which liquidation has not been made final as of such date.

RONALD REAGAN

The White House,
July 12, 1982.

[*Filed with the Office of the Federal Register, 4:04 p.m., July 12, 1982*]

Note: The annexes are printed in the Federal Register *of July 14, 1982.*

Remarks at the Annual Convention of the National Association of Counties in Baltimore, Maryland
July 13, 1982

Mr. Chairman, Governor, Senator, our Representative, the other distinguished guests here on the dais, and you ladies and gentlemen—all distinguished:

Good morning, and thank you for a very warm welcome. I didn't bring a fig leaf with me, but I'm pleased to be here—a real pleasure to be with you today.

Your help, and especially that of your leaders like Richard Conder, Bill Murphy, Roy Orr, and Bernie Hillenbrand,[1] has been invaluable during the last year as we have worked to reshape American government, crafting a plan to return the reins of government to the American people.

You were elected to offices that are

[1] *President, vice president, past president, and executive director, respectively, of the National Association of Counties.*

among the closest to the people. I'm sure you know the names of many of your constituents, and they know yours. When you pass them on the street, they ask you about a recent decision or a vote. They attend your board and commission meetings to speak about their concerns. You're held responsible for your decisions by the people you represent, and that's what democracy is all about.

At the level of government you deal with, the daily lives of your citizens, managing their schools, repairing their roads, protecting their neighborhoods from fire and crime—of course, Washington involves itself in these things too, but too often that kind of Federal intrusiveness has become part of the problem, not the solution.

I'm reminded of the story about a young student who handed in a test paper riddled with errors, and his teacher asked him how one person could make so many mistakes. And he said, "One person didn't. My father helped me." [*Laughter*] Well, maybe the Federal Government has helped local governments make some mistakes, and that's what I want to talk with you about today.

Together you and I are involved in an epic struggle to restore the governmental balance intended in our Constitution and desired by our people. We're turning America away from yesterday's policies of big brother government. We're determined to restore power and authority to States and localities, returning as much decisionmaking as possible to the level of government where services are delivered.

Thomas Jefferson once said, "I know no safe depository of the ultimate powers of society but the people themselves." Well, I agree with him. And I think you do too. The more government we can keep at the local levels, in local hands, the better off we are and the more freedom we will have.

Now, there are some in Washington who scoff at such an idea. They speak condescendingly about America's county seats or city halls and State legislatures. Claiming a monopoly on compassion and wisdom, they airily dismiss grassroots representatives as incapable of seeing the big picture. Well, forcing the American people to accept the dictates of a swollen government in Washington has been one of the more serious mistakes of this century. Either you believe in democracy or you don't. And like you, I believe.

Our Founding Fathers knew the value of diversity in America. They understood the need to control the size of government and to hold it accountable to our people. They wrote those principles into the Constitution and, as Madison points out in the Federalist Papers, ensured republican remedies—now, that's republican with a small "r"—for problems that have brought down other republics.

Traditionally, we've been able to adapt well to change and to meet our challenges, because we could reach across a vast continent for ideas and experience. In the recent past, as the Federal Government has pushed each city, county, and State to be more like every other, we've begun to lose one of our greatest strengths—our diversity as a people. If we're to renew our country, we must stop trying to homogenize America.

I believe the extent of the problems that we face today is in direct proportion to the extent to which we have allowed the Federal Government to mushroom out of control. Ignoring careful checks and balances, Federal bureaucrats now dictate where a community will build a bridge or lay a sewer system. We've lost the sense of which problems require national solutions and which are best handled at the local level.

Let me quote Jefferson again. I'm sure you've all heard and possibly used yourself in a speech as I have his statement that if we look to Washington to find out "when to sow and when to reap, we shall soon want for bread." Well, that line takes on much more meaning if we hear it in the entire context of what Jefferson was discussing.

He said, "Were not this great country already divided into states, that division must be made, that each might do for itself what concerns itself directly, and what it can do so much better than a distant authority. Every state is again divided into counties each to take care of what lies within its local bounds; each county again into townships or wards to manage minute details . . . were we directed from Washington when to sow and when to reap, we should

soon want for bread."

As the distinctions blur, our people have lost far too much control over public policies that affect their daily lives. They no longer know who to blame when things go wrong. For example, if you have a problem with the way your child's school is run, who do you talk to? The teacher? The principal? The superintendent? The Governor? The courts? A department in Washington or, perhaps, the President? We must sort out responsibilities to better manage resources and restore accountability in government.

Having mentioned education, may I digress for a moment. Recently a national convention having to do with education was held in California. A central theme at that gathering was an attack on our efforts to get control of runaway Federal spending and what a threat that was to education. They painted some pretty horrendous pictures—horrendous but untrue.

I have charged that the Federal Government in recent years has interfered unnecessarily in the classroom, claiming its right to do that by virtue of Federal financial aid to public schools. Well, that aid amounts to only 8.1 percent of the total cost of public school education. Local and State government put up the other 91.9 percent.

Now, we haven't canceled out that 8.1 percent of Federal help in our budgeting. We've shifted some of that spending to other government agencies for administrative purposes. Rehabilitation programs for adults, for instance, will be part of the Health and Human Services budget now. Other funds are being incorporated in block grants.

Yes, there will be savings, but not because we're depriving children of necessary educational programs. Many of the savings will be in the elimination of Federal administrative overhead and in giving local authorities more flexibility, free of useless regulations and redtape. And that, incidentally, is the underlying principle of federalism.

Our federalism initiatives are not incidental proposals. They lie at the very heart of our philosophy of government—a philosophy I've long held and, I believe, most of you have as well. We are committed to restoring the intended balance between the levels of government, and, although some people may find this cause not as glamorous or as immediate as some others, we're determined to see it through.

We in this administration have taken another look at the Constitution and are applying it to the America of today. We will restore the 10th amendment to the Constitution, which says that the Federal Government shall do only those things provided in the Constitution, and all other powers shall remain with the States and with the people.

For the first time in too many years, the Federal Government will recognize a limit on what it should do, how fat it can grow, and the power it can claim. With your help, we'll reverse the flow of power, sending it back to the localities.

But the battle is barely begun. So, while I want to thank you, I also want to ask for your continued help. Rest assured that we in this administration understand that such support is a two-way street. As your partners in government, we pledge that this administration will never turn its back on the problems you face in the counties of America.

In my State of the Union message last January, I outlined the principles of our federalism proposals. I pledged to place federalism at the top of our national agenda, recognizing that the Federal Government has become overloaded with far more responsibilities than it can properly manage. Then as now, we focused on the need to sort out responsibilities and turn back to States and localities many Federal programs, insisting they be accompanied by the resources to pay for them.

We also promised to create no winners or losers among the States, and that these initiatives would not be means to simply cut the budget. Even at that early stage, our proposal reflected many of your concerns. It included an 8-year transition to avoid dislocations for States and local governments, revenue sharing was protected, funding of $4.6 billion a year was called for. The original turnback proposal, including more than 40 programs and the funds to pay for them, was in itself a giant revenue sharing program. The package guaranteed stability and certainty by guaranteeing 1983 budget figures through 1987.

Though only an outline, our proposal opened a great, national debate on the structure of our government. We presented a working proposal to be altered and polished during consultations with State and local officials. Since that January address, my staff and I have consulted with State and local officials as well as Members of the Congress. As I said earlier, NACO's representatives played a key role in shaping the package which we will send to the Congress by the end of this month.

While we've remained true to our first principles, significant changes have been made. The new package calls for Federal assumption of Medicaid responsibilities in return for State takeover of Aid to Families With Dependent Children. But the food stamp program has been dropped from the swap. The number of programs to be turned back has been reduced to about 35. And the windfall profits tax has been replaced by general revenues as a funding source. The pass-through provision has been revised so that localities will be guaranteed 100 percent of funds historically passed to them from the Federal Government. States will not be able to opt out of programs until 1985, and, when they do, will be required to consult with local elected officials.

Now, these measures are designed to strengthen the stability and certainty of funding. I believe that together they go along toward answering your needs as we begin to reorder the way the American people govern themselves. I hope that we can count on your support.

Baltimore's H. L. Mencken, a profound observer of American life, once said, "It doesn't take a majority to make a rebellion; it takes only a few determined leaders and a sound cause." Well, let those be our rallying words. For it falls to us and our responsible colleagues at all levels of government to carry the message of the people to the Congress. Representative Barber Conable of New York has pointed out that if the States and localities want these federalism reforms, they can get them.

Roy Orr, your past president, has often said that with fewer strings attached, you people could do more with half the money that Congress appropriates than Federal bureaucrats—even with the best of intentions—are able to do with all of it. I believe him.

Our tax dollars have been filtering through too many hands at too many levels with a little less getting through at each step. Together we can reduce Washington's percentage and get the power and the resources back to the American people. After all, it's their money, and they've demanded a reform of the excesses, the duplication, and the bureaucracy that have led to a tremendous waste of our national resources. Let us form an alliance to send the Congress an unmistakable message: Americans want more of their taxes spent where they're raised and spent by people they can hold accountable.

Your organization has formed an alliance of another kind that's adding to local resources and solving problems where they occur. "The Alliance of Business and Counties"—the theme of this conference—and your Good Neighbor Awards are excellent examples of what can be done when communities look inward for answers to problems.

There are classic examples of that right here in this city that I've just seen with your fine mayor of Baltimore. I'm told, for example, that in Essex County, New Jersey, the Chamber of Commerce has recruited a team of business executives to do a budget and management analysis for the county. Results included the coordination of cost-containment activities and the drafting of specific steps to reduce energy consumption.

In Fairfield County, South Carolina, the utility company and county government built an efficient, modern facility to house not only a 24-hour ambulance service but a 60-member fire department in a sparsely populated area of the State. They tell me that response time has dropped from 20 minutes to 6.

I'm sure you know these case histories better than I do, and there are dozens more I don't have time to mention now. But I want to congratulate NACO and these counties, the businesses, and all the best of your "good neighbors" for reviving the "can do" spirit. We built America with the good neighbor policy. I believe that kind of

attitude can make us great again.

Earlier this morning I visited an area of Baltimore that would be depressed were it not for the great hope of its citizens, their readiness for hard work, and the cooperative bond between local government and private business. Just over a year ago a bindery was begun in a warehouse in Park Heights in the northwest corner of this city. The enterprise was designed to turn a profit while providing jobs and training for 2,500 people within 5 years.

This afternoon I will visit the top of the World Trade Center to look out on Baltimore's beautiful Inner Harbor, an area that is being restored through the cooperation, once again, of government and business. So far, about half the funds for the Inner Harbor restoration have come from the government, but the private sector is expected to pick up nearly 95 percent of future costs. And maybe you missed my point about a fig leaf—that's quite a fig leaf that you've heard about before.

The idea used in Baltimore is similar to the enterprise zone experiment our administration would like to test across America. Designated zones would be relieved of many tax and regulatory burdens, producing incentives for new business and new jobs. Although not a comprehensive answer to the problems in our inner cities, enterprise zones offer real hope for the mostly minority communities trapped at the bottom of America's economic ladder, in the heart—the forgotten heart, all too often—of our cities.

My administration remains committed to the enterprise zone experiment as part of our overall economic recovery plan. Of course a growing economy will be the best Federal program we can provide local governments, as well as the larger share of the tax base that will go along with it.

It's a simple yet a revolutionary concept—this idea of giving the voters what they voted for. And it has startled some people a little bit we're actually doing what we said we were going to do, and that's not something Washington is used to. We're determined to return our government and our economy to the people. Together, with the support of people like you, we will shrink the Federal establishment, start our economy growing again, and restore America to greatness.

I have no doubt that the American people, with God's help, are up to the challenge. We need only believe in ourselves. In the course of our history we've overcome far greater challenges. If we look at the daily lives of Americans we can see case after case of individual mettle and pluck.

Just a few weeks ago in City Island Park in Daytona Beach such a story of courage took place. Thirty-two-year-old J. R. Richard, once an ace pitcher for the Houston Astros, stepped up to a minor league mound. Two summers ago a stroke had left him partially paralyzed, and his doctors wouldn't predict whether he could ever play again. But that summer night in Daytona the packed ballpark erupted in thunderous applause as J. R. jogged onto the field.

Newspaper accounts reported his performance was not overpowering, but neither was it an embarrassment. In four innings, the lanky righthander gave up only two earned runs and left the game to another enthusiastic ovation.

After the game, J. R. said, "I'm ready to work myself back up—it took a lot of hard work to get here; it's going to take a lot more hard work to get back into the majors." And then he looked at the Astro's general manager who was present and said, "I will be back."

J. R. has the kind of American spirit that we all must tap to continue our struggle for national renewal. We've won some major victories in the last year and a half, but there's a long, hard road still ahead of us. If we can focus as clearly on our goal as J. R. Richard has on his, if we can imagine America once again strong and vibrant and alive with jobs for all our people, security for our elderly, wealth enough for our poor, and new opportunities for every new generation, then I believe we, too, can find the strength to make our dreams come true.

I commend you in the National Association of Counties for all that you're doing to improve America's communities. I thank you for your support and hope I can count on you for more. If we continue to have faith in ourselves and trust in our people,

there's nothing we cannot accomplish.

Thank you very much.

Note: The President spoke at 10:27 a.m. in Hall D at the Baltimore Convention Center. In his opening remarks, he referred to Governor Harry R. Hughes, Senator Charles McC. Mathias, Jr., and Representative Marjorie S. Holt.

Prior to his appearance at the convention, the President, accompanied by Baltimore Mayor William Donald Schaefer, toured the Commercial Credit Bindery and observed the youth training program at that facility.

Remarks at a Luncheon With Local Elected Officials and Businessmen in Baltimore, Maryland
July 13, 1982

Well, Mr. Mayor, thank you very much for the lifetime pass and for the seal. I'll have to fight Nancy for that—[*laughter*]—particularly on cold winter nights. [*Laughter*]

Well, Mayor Schaefer, thank you very much. This has been a very wonderful day. It's long delayed. As you know, a storm did away with this, and we had the lunch in Washington and—because that big thing I fly around in wouldn't fly in that storm.

I promised our group before we came up this morning that this would be a memorable visit, a time of learning for us all. Now, of course, it isn't a time of learning for Senator Mathias or for our lovely Representative Holt here and—from Washington—but they must get a reinspiration from coming back here every once and a while. There is so much going on.

Governor, all you other ladies and gentlemen, when I said it'd be—it has been a time of learning for all of us. After touring the bindery and seeing this breathtaking view of the harbor, I know I speak for everyone when I say we're impressed, and congratulations.

I just propositioned the mayor here and asked him if I could have him for 2 years' detached service in the south Bronx. [*Laughter*] And, Bill Verity,[1] I made sure that you've been talking to him, and he said you have. [*Laughter*]

I think we've seen a vision today of our cities, and it works. As you strive to meet the industrial demands of tomorrow, you've kept faith and preserved the fine traditions of the past.

Shakespeare said, "The people are the city." Baltimore is a city of, by, and for its people—a place of excitement, growth, diversity, full of sound, color, warmth, and delight. The renaissance that you're creating and enjoy would not have been possible without a strong, shared commitment between government and industry, a partnership for progress between the public and the private sector. This is the cornerstone for rebuilding our cities and restoring hope to our people.

As you know, we intend to return more decisionmaking to State and local governments. I've been talking about that already this morning to the National Association of Counties, who have been meeting here. We'll return tax resources, as well as responsibilities, to the levels of government closest to the people.

We want to save the Federal programs that have worked. But much of what the Federal Government has tried in good conscience to accomplish has not worked.

Baltimore has been the recipient of many Federal programs. Yet there are areas of this city beyond Harbor Place that face severe unemployment. The problem is deeply imbedded. It produces pain, frustration, and a loss of hope. And unless we correct it, dreams that are every American's birthright will have been needlessly destroyed. And I know that, being with your mayor these several occasions, and particularly this morning, I know that that's not

[1] *Chairman of the President's Task Force on Private Sector Initiatives.*

going to happen here. And I'm determined to not let it happen elsewhere.

I think it's time for new ideas that can produce real solutions. And the best social program is a productive job for anyone who's willing to work. That's why we're urging the private sector to get more actively involved in job training and urban development. The business of business is America. And that's why we're calling on the Congress to take prompt action on our enterprise zone proposal. And I am reinspired to press for that after what I've seen that has happened here without our enterprise proposal.

The people at this luncheon today and the communities that you represent are doing much to combine private and public resources to revitalize America. Bill Verity has told me of the Blue Chip-In program here in Baltimore. Private companies are investing in programs that create jobs, train the unemployed, and provide some emergency services to the city. And the efforts here in Baltimore and your work in cities across America are proof that our potential is unlimited if the public and private sectors can and will work together.

Some say their mission is to save free enterprise. I say their mission—or our mission—is to free enterprise so together we can save America. And with your help and continued leadership that's what we're going to do.

And now, since we're about a year late, let's have lunch. [*Laughter*] Thank you all.

Note: The President spoke at 11:57 a.m. in the Constellation Room at the World Trade Center. He was introduced by Mayor William Donald Schaefer, who presented him with a lifetime pass to the National Aquarium and a large, stuffed toy "Presidential" seal.

Following the luncheon, the President returned to Washington, D.C.

Nomination of Oliver G. Richard III To Be a Member of the Federal Energy Regulatory Commission

July 13, 1982

The President today announced his intention to nominate Oliver G. Richard III to be a member of the Federal Energy Regulatory Commission, Department of Energy, for a term expiring October 20, 1985. He would succeed Matthew Holden.

Mr. Richard is presently a partner with the law firm of Hayes, Durio & Richard in Lafayette, La. He was energy legislative assistant to United States Senator J. Bennett Johnston in 1977–1981. He was an attorney with the firm of Sanders, Downing, Kean & Cazedessus in 1977.

He graduated from Louisiana State University (B.A., 1974), Louisiana State University Law School (J.D., 1977), and Georgetown University (M.A., 1981). He is married and resides in Lafayette, La. He was born October 11, 1952.

Statement by Deputy Press Secretary Speakes on the War Between Iran and Iraq

July 14, 1982

The United States Government has remained from the beginning, and will remain, neutral in the war between Iran and Iraq. We remain deeply concerned, however, about the continuation of this conflict and the attendant loss of life and de-

struction. The United States supports the independence and territorial integrity of both Iran and Iraq, as well as that of other states in the region. In keeping with our policy worldwide, we oppose the seizure of territory by force. We urge an immediate end to hostilities and a negotiated settlement. We support constructive international efforts for a peaceful solution to the conflict on the basis of each state's respect for the territorial integrity of its neighbors and each state's freedom from external coercion. In keeping with this policy we have joined with other members of the United Nations Security Council in 1980 and on July 12 of this year in resolutions calling for an end to the conflict.

Our support for the security of friendly states in the region which might feel threatened by the conflict is well known, and the United States is prepared to consult with these states on appropriate steps to support their security.

Remarks of President Reagan and President Roberto Suazo Córdova of Honduras Following Their Meeting

July 14, 1982

President Reagan. I'm pleased to welcome President Suazo of Honduras to the White House.

Honduras is a good and valued friend and partner of the United States. President Suazo's leadership has returned Honduras to democracy. And his government has embarked on a prompt and courageous effort to return the country to economic health.

We had a good discussion about the situation in his country and elsewhere in Central America. I told the President of our shock on learning of the recent terrorist attacks against power stations in Honduran territory, which cut off vital electricity to hospitals, water, and to other essential facilities. And faced with threats of this kind, the people of Honduras should be able to rely on their friends for help. And they can count us. The United States will provide assistance so that Hondurans can defend themselves from aggression.

President Suazo has been a strong voice for peace and democracy in Central America. He has put forward a plan to reduce tensions between states by agreement on the reduction of arms and the number of foreign advisers, and by international supervision of borders, airfields, and ports so that each country can be free of the fear of aggression from its neighbors. It's a concrete plan for peace which we fully support.

President Suazo also has explained frankly the seriously depressed economy of his country and the austerity measures he has adopted. The proposals before our Congress for the Caribbean Basin would substantially increase our ability to be of help to the people of Honduras.

I told President Suazo that I was sure the Congress would respond with strong, bipartisan support for a program that is obviously in the interest of both the United States and his country. I'm happy to say that he will be speaking to Members of the Congress on the Caribbean Basin Initiative while he is here.

Mr. President, I hope you return to Honduras confident that the United States—it's people and its government—remains a reliable friend and good neighbor. And that, Mr. President, is my personal pledge to you.

President Suazo. Ladies and gentlemen of the press, I would like to—before I read my statement that I have prepared, I would like to make the following statement. And that is that there was according to the history books when Benjamin Franklin was walking out of Independence Hall, a woman in the crowd asked, "What have you done? Have you created a republic or a monarchy?" And this outstanding American patriot said, "We have created a republic. But the important thing will be how to preserve it."

And so, Mr. President, I want to first of all, thank you for your very kind invitation to visit here. And I want to say to the people of the United States of this great democracy of the north that we admire and we have great affection for the two centuries in which you've been able to conserve your republic here, this system of democratic government that you have, and have been able to project it on a worldwide basis and have become an unswerving bulwark in defense of freedom, of justice, and of democracy.

I have come to this country inspired by the best wishes—of achieving understanding and friendship. I have come, thus, to work in favor of these purposes.

With all clearness, I have expressed to President Reagan what Honduras means in these critical times for Central America, for this hemisphere, and for the very development of present international relations.

I have reaffirmed to him that Honduras, governed by a government that is born out of the will of the people—the free will of its people—because of its geopolitical location, represents a fundamental element in order to achieve democratic stability in Central America by peaceful means and to achieve economic progress and social change. We have wanted this to be understood completely and objectively without any reticence.

I said when I took over as President of the Republic a little less than 6 months ago, and I repeat it now: Honduras does not seek, does not wish to become the arbiter of regional expectations, anguish, and hopes. This is not our role. But we do aspire, being faithful to the principles of nonintervention and self-determination, to be a factor of the balance and of concord in the search for a common destiny for Central America. With this conviction, we respect the others with a same firmness with which we will defend, and will earn, the respect for our democratic system of life and of government.

I bring with me on my visit to the United States, members of my government that are responsible for basic areas of public affairs, as well as members of our armed forces, in order that you will understand better that the Government of Honduras is as one and is asking for cooperation and requiring understanding in its struggle in favor of participatory and pluralistic democracy, for an authentic peace for the good of the entire region, and unrestricted respect for human dignity.

We have nothing to hide, because this is the conduct that is proper for a democratic government based on popular sovereignty. But we do have a lot to say to the leaders of this country, to those who run international organizations, as to the social and economic realities of Honduras and the solution of its problems, on the operation of its republican institution, and of the danger that they might be undermined if the menace of violence is not faced with a genuine spirit of cooperation in favor of peace, of progress, and democracy.

It is for this reason that we hope for the friendship; that the friendship offered to us be frank, realistic, and effective, as is the content of our own friendship towards you. The present and the future of Honduras depend, therefore, on a combination of two basic factors: self-effort and the honest cooperation from friendly nations and the international community.

I have come to this country, then, with this spirit in order to better guide the path of our conversations and our objectives. With this spirit, I bear witness also of my faith in the mass media and the organs of information to which I attribute the virtue of being bulwarks of objective truth, of constructive criticism, of freedom, and of peace.

Thank you very much.

Note: President Reagan spoke at 12:01 p.m. to reporters assembled on the South Grounds of the White House. The two Presidents had met in the Oval Office.

President Suazo spoke in Spanish, and his remarks were translated by an interpreter.

Nomination of Charles W. Greenleaf, Jr., To Be an Assistant Administrator of the Agency for International Development
July 14, 1982

The President today announced his intention to nominate Charles W. Greenleaf, Jr., to be an Assistant Administrator of the Agency for International Development (Asia), United States International Development Cooperation Agency. He would succeed Jon D. Holstine.

Currently Mr. Greenleaf is a senior adviser to the Administrator of the Agency for International Development. Previously he was a member of the Presidential Personnel Office at the White House.

Mr. Greenleaf was assistant director, Institute of Politics, Kennedy School of Government, Harvard University, in 1979–1981; director, office of George Bush, during the Reagan-Bush campaign in 1980; Special Assistant to former President Ford in 1978; assistant director of research, President Ford Committee, in 1976; staff assistant, office of Senator Robert Griffin (R-Mich.) in 1975; and executive assistant for legislative affairs, office of Gov. William G. Milliken of Michigan, in 1973–1975.

He graduated from Princeton University (B.A., 1963) and the Kennedy School of Government, Harvard University (M.P.A., 1977). He was born March 13, 1941, in Chicago, Ill.

Nomination of Ronald B. Frankum To Be an Associate Director of the Office of Science and Technology Policy
July 14, 1982

The President today announced his intention to nominate Ronald B. Frankum to be an Associate Director of the Office of Science and Technology Policy. He will also serve as Principal Deputy to the Director.

Mr. Frankum is currently Deputy Director, Office of Science and Technology Policy, and was Deputy Director, Office of Policy Development, in 1981–1982.

He was a member of the Reagan-Bush transition team and served as a senior staff attorney in 1980–1981. Previously Mr. Frankum was adjunct professor of law, University of San Diego, and president, Center for Technical Services, a science and education corporation in San Diego, Calif. He also served as director, San Diego Urban Observatory.

Mr. Frankum graduated from the University of Texas (B.A., 1958) and the University of San Diego (J.D., 1965). He is married, has two children, and resides in McLean, Va. He was born November 17, 1935, in Winfield, Kans.

Executive Order 12372—Intergovernmental Review of Federal Programs
July 14, 1982

By the authority vested in me as President by the Constitution and laws of the United States of America, including Section 401(a) of the Intergovernmental Cooperation Act of 1968 (42 U.S.C. 4231(a)) and Section 301 of Title 3 of the United States Code, and in order to foster an intergovernmental partnership and a strengthened fed-

eralism by relying on State and local processes for the State and local government coordination and review of proposed Federal financial assistance and direct Federal development, it is hereby ordered as follows:

Section 1. Federal agencies shall provide opportunities for consultation by elected officials of those State and local governments that would provide the non-Federal funds for, or that would be directly affected by, proposed Federal financial assistance or direct Federal development.

Sec. 2. To the extent the States, in consultation with local general purpose governments, and local special purpose governments they consider appropriate, develop their own processes or refine existing processes for State and local elected officials to review and coordinate proposed Federal financial assistance and direct Federal development, the Federal agencies shall, to the extent permitted by law:

(a) Utilize the State process to determine official views of State and local elected officials.

(b) Communicate with State and local elected officials as early in the program planning cycle as is reasonably feasible to explain specific plans and actions.

(c) Make efforts to accommodate State and local elected officials' concerns with proposed Federal financial assistance and direct Federal development that are communicated through the designated State process. For those cases where the concerns cannot be accommodated, Federal officials shall explain the bases for their decision in a timely manner.

(d) Allow the States to simplify and consolidate existing Federally required State plan submissions. Where State planning and budgeting systems are sufficient and where permitted by law, the substitution of State plans for Federally required State plans shall be encouraged by the agencies.

(e) Seek the coordination of views of affected State and local elected officials in one State with those of another State when proposed Federal financial assistance or direct Federal development has an impact on interstate metropolitan urban centers or other interstate areas. Existing interstate mechanisms that are redesignated as part of the State process may be used for this purpose.

(f) Support State and local governments by discouraging the reauthorization or creation of any planning organization which is Federally-funded, which has a Federally-prescribed membership, which is established for a limited purpose, and which is not adequately representative of, or accountable to, State or local elected officials.

Sec. 3. (a) The State process referred to in Section 2 shall include those where States delegate, in specific instances, to local elected officials the review, coordination, and communication with Federal agencies.

(b) At the discretion of the State and local elected officials, the State process may exclude certain Federal programs from review and comment.

Sec. 4. The Office of Management and Budget (OMB) shall maintain a list of official State entities designated by the States to review and coordinate proposed Federal financial assistance and direct Federal development. The Office of Management and Budget shall disseminate such lists to the Federal agencies.

Sec. 5. (a) Agencies shall propose rules and regulations governing the formulation, evaluation, and review of proposed Federal financial assistance and direct Federal development pursuant to this Order, to be submitted to the Office of Management and Budget for approval.

(b) The rules and regulations which result from the process indicated in Section 5(a) above shall replace any current rules and regulations and become effective April 30, 1983.

Sec. 6. The Director of the Office of Management and Budget is authorized to prescribe such rules and regulations, if any, as he deems appropriate for the effective implementation and administration of this Order and the Intergovernmental Cooperation Act of 1968. The Director is also authorized to exercise the authority vested in the President by Section 401(a) of that Act (42 U.S.C. 4231(a)), in a manner consistent with this Order.

Sec. 7. The Memorandum of November 8, 1968, is terminated (33 *Fed. Reg.* 16487, November 13, 1968). The Director of the Office of Management and Budget shall

revoke OMB Circular A-95, which was issued pursuant to that Memorandum. However, Federal agencies shall continue to comply with the rules and regulations issued pursuant to that Memorandum, including those issued by the Office of Management and Budget, until new rules and regulations have been issued in accord with this Order.

Sec. 8. The Director of the Office of Management and Budget shall report to the President within two years on Federal agency compliance with this Order. The views of State and local elected officials on their experiences with these policies, along with any suggestions for improvement, will be included in the Director's report.

RONALD REAGAN

The White House,
July 14, 1982.

[*Filed with the Office of the Federal Register, 3:18 p.m., July 14, 1982*]

Nomination of George R. Hoguet To Be United States Alternate Executive Director of the International Bank for Reconstruction and Development

July 14, 1982

The President today announced his intention to nominate George R. Hoguet, of New York, to be United States Alternate Executive Director of the International Bank for Reconstruction and Development for a term of 2 years. He would succeed David S. King.

Mr. Hoguet is presently serving as a consultant to the Department of the Treasury. Prior to joining Treasury in June 1982, he was vice president in the project finance group of the corporate financial services department for Bankers Trust Co., New York, N.Y. From 1979 to 1981, he was vice president in the mergers and acquisitions group of the corporate financial services department for Bankers Trust Co. He was vice president and head of commercial banking training in 1978–1979. He joined Bankers Trust's Africa group in the Middle East/Africa division of the international banking department in August 1973. He was named assistant treasurer in 1974, assistant vice president and Africa group head in 1975, and vice president in 1976. From 1969 to 1971, he was with Credit Commercial de France in Paris.

He graduated from Harvard College (B.A., 1969) and Harvard Graduate School of Business Administration (M.B.A., 1973). He is married, with two sons, and resides in Washington, D.C. Mr. Hoguet was born December 11, 1947, in New York, N.Y.

Statement on Action by the House Foreign Affairs Committee Concerning Emergency Economic Assistance Under the Caribbean Basin Initiative

July 14, 1982

I want to welcome the bipartisan compromise which has been reached in the House Foreign Affairs Committee on my request for emergency economic assistance under the Caribbean Basin Initiative. It is my hope that the compromise will be supported by a large majority of the members of the committee. The bill will authorize the full amount of our request of $350 million. A total of $100 million would be authorized

for El Salvador, with $20 million of this for support of that country's land reform program. While somewhat less than our original request, this $100 million will provide a vital boost to the Salvadoran economy and help to ensure continued progress in the political and economic reform in that country.

Additional amounts of assistance provided under this bill would go to Costa Rica, Honduras, Jamaica, the Dominican Republic, the island countries of the Eastern Caribbean, Haiti, Belize, and Guatemala.

Early action on the Caribbean Basin Initiative is a high priority for my administration. It is my hope the Appropriations Committees of the House and Senate will give early and favorable consideration to this legislation. Favorable action in both Houses on the critical trade and investment intitiatives of our program is also imperative.

Statement on Senate Confirmation of George P. Shultz as Secretary of State

July 15, 1982

On behalf of the American people, I want to compliment the Senate for its wisdom in approving, so decisively, the nomination of George Shultz as our next Secretary of State. The Senate's swift action augurs well for continued cooperation between the Congress and executive branch and for strong leadership at the State Department.

I also want to compliment Mr. Shultz on his impressive performance before the Senate Foreign Relations Committee. His articulate and convincing presentation sent a strong signal to friend and foe alike—America is blessed with a man of exceptional character and qualifications for this vital position. I very much look forward to having George with us as a member of the team.

Remarks at the Swearing-In Ceremony for George P. Shultz as Secretary of State

July 16, 1982

The President. Ladies and gentlemen, please. Today, I'm reminded of the old saying, "Let George do it." [*Laughter*] And, George, from now on, I think I'll have a few things for you to do.

On behalf of the American people, I want to compliment the Senate for its wisdom in approving so rapidly and decisively the nomination of George Shultz as our next Secretary of State. The Senate's swift action augurs well for continued cooperation between the Congress and the executive branch and for strong leadership at the State Department.

I also want to compliment George Shultz on his impressive performance before the Senate Foreign Relations Committee. His articulate and convincing presentation sent a strong signal to friend and foe alike. Our country is fortunate to have a man of exceptional character and qualifications for this vital position.

America's always been blessed in times such as these with citizens of stature who come forward to make certain the job gets done and done right. George Shultz follows in that tradition. He has served three previous Presidents. He has been immensely successful in his endeavors in the private sector, and he's highly respected for his academic achievements. Those who know him testify that he's a man with character and common sense, affable, yet decisive. He's a

man who inspires confidence and leaves no doubt that he's capable of the vital task that we're giving him.

Of all the responsibilities of the Presidency, shaping American foreign policy is the most awesome. It's in this arena that we come to grips with the decisions which most directly affect the delicate balance of peace and which secure both the immediate and long-term well-being of the United States.

When looking for the best, sometimes one finds that the paths of talented men cross. Recently, George, there's been some criticism of your similar background to another member of my Cabinet. Now, I admit we may be dipping from the same well to find quality people. I just want everyone to know that I'm fully aware that George and Don Regan, as well as many other high-ranking members of my administration, are all former Marines. [*Laughter*] And I don't find that a handicap in any way. [*Laughter*]

Seriously, George's background gives him a unique opportunity to be of service to his country. Over the last few years in the private sector leading one of the giants of American enterprise, he has first-hand knowledge of the dynamics of economic progress. He brings with him perhaps a deeper understanding of world economics than any previous Secretary of State, having dealt internationally with leaders of commerce as well as heads of state. This experience will, I have no doubt, add depth and meaning to the decisions that he'll be making. I look forward to his counsel.

And with all of that said, George, welcome to the team.

[*At this point, Attorney General William French Smith administered the oath of office to Mr. Shultz.*]

Secretary Shultz. Thank you very much.

Mr. President, I thank you. You have done me a great honor, and I recognize fully the responsibilities placed upon me.

I said in my statement to the Committee on Foreign Relations that I would muster every ounce of energy and intelligence and dedication I could and pour all of it into performance on this job, and I restate that and remake that pledge to you on this occasion, Mr. President.

In the period of time that I've been preparing for this job and preparing for my examination by the Committee on Foreign Relations, of course I've been impressed with the importance and depth and difficulty of the problems that we face. But also, Mr. President, as you so characteristically do, I think it's essential that we take that coin that has "problems" as its label on one side and turn it over and see that on the other side is the word "opportunities." And I certainly want to approach this task fully conscious and realistic about the problems, but even more, conscious of the opportunities which with creative and constructive effort we may be able to do something wonderful with. I say that with some confidence here, because I am with friends. And I feel the warmth of this gathering and that it's a family affair, and it gives me a certain sense of both humility but also a sense of support.

And in that regard I would like to thank especially the Members of the Congress, the Members of the Senate who gave me such a thorough working-over and examination—and, I think, in a very constructive way and thorough way—and in the end voted promptly and decisively to confirm me as Secretary of State. And I appreciate that, and I recognize it as a kind of marker that we should approach these things together and in the spirit of bipartisanship and in trying to find the broad consensus that sustains our policies abroad and has done so for so many decades.

Mr. President, in your Inaugural Address you said that no arsenal, no weapon in the world "is so formidable as the will and moral courage of free men and women." I think, as you often do, you put succinctly the essence of the matter, and I say to you that I will take these words of yours as my touchstone and foundation as I approach the conduct of this great office.

I thank you very much, Mr. President, and my friends.

Note: The President spoke at 10 a.m. in the Rose Garden at the White House.

Message to the Congress Reporting Budget Rescissions and a Deferral
July 16, 1982

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report two new proposals to rescind $63.6 million in budget authority previously provided to the Congress and one revision to an existing deferral increasing the amount deferred by $61.1 million.

The rescissions include $47.4 million previously deferred for the employment and training assistance program administered by the Department of Labor, and $16.2 million for the exploration of national petroleum reserve in Alaska account in the Department of the Interior. The deferral affects the facilities and equipment account (Airport and Airway Trust Fund) in the Department of Transportation.

The details of the rescission proposals and revised deferral are contained in the attached reports.

RONALD REAGAN

The White House,
July 16, 1982.

Note: The attachments detailing the proposed rescissions and deferral are printed in the Federal Register *of July 22, 1982.*

Nomination of Nancy A. Maloley To Be a Member of the Council on Environmental Quality
July 16, 1982

The President today announced his intention to nominate Nancy A. Maloley to be a member of the Council on Environmental Quality. She would succeed Jane Hurt Yarn.

She is currently serving as policy adviser, Office of Policy Development, the White House. She was director for legislation for the EPA transition team. She served as legislative assistant to United States Senator Richard G. Lugar in 1977–1981. She was Special Assistant to the Administrator of the EPA in 1971–1976. Prior to that, she served on the staff of United States Representative E. Ross Adair.

She graduated from the University of Colorado (B.A., 1968). She resides in Washington, D.C. She was born April 13, 1946.

Appointment of Five Members of the Board of Governors of the United Service Organizations, Inc.
July 16, 1982

The President today announced his intention to appoint the following individuals to be members of the Board of Governors of the United Service Organizations, Inc. (USO):

Fred H. Gottfurcht is president and owner of Gottfurcht Investment Securities Co. in Beverly Hills, Calif. He is married, has four children, and resides in Los Angeles, Calif. He was born May 8, 1914.

Lucille G. Murchison is a partner in the firm of Murchison Brothers in Dallas, Tex. She has four children and resides in Addison, Tex. She was born November 4, 1925.

Carole Curb Scotti is vice president of Scotti

Brothers Industries and director of international record division. She is married and resides in Beverly Hills, Calif. She was born March 2, 1946.

John R. Trice is a self-employed attorney in Carrollton, Tex. He is married, has two children, and resides in Carrollton. He was born September 23, 1932.

Gordon D. Walker is vice president of Smith Barney, Harris Upham, Inc. He is married, has four children, and resides in Los Angeles, Calif. He was born June 3, 1923.

Appointment of Kitty Kidd Robinson as a Member of the Peace Corps Advisory Council

July 16, 1982

The President today announced his intention to appoint Kitty Kidd Robinson to be a member of the Peace Corps Advisory Council. She would succeed Muhammad Ali.

She is currently serving as professor in the department of early childhood education at Chicago State University. She is also assistant dean, graduate division, and graduate admissions counselor at Chicago State University. She was supervisor of student teachers at the same institution in 1968–1976.

She graduated from Tennessee State University (B.S., 1949), DePaul University (M.Ed., 1960), and Northwestern University (Ph. D., 1974). She resides in Chicago, Ill., and was born January 7, 1921.

Letter to the Senate Majority Leader and the Chairman of the Senate Finance Committee on Proposed Tax Legislation

July 17, 1982

Dear Howard: (Dear Bob:)

As the Senate begins its consideration of the tax bill, I wish to emphasize my personal support for the bill produced by the Senate Finance Committee.

In my opinion, adoption of this bill will lead us on a downward path of deficit reduction, improve the fairness of the tax system, and maintain the integrity of my economic recovery program. Rather than raising taxes across-the-board, the bill focuses on improvements in taxpayer compliance, the removal of obsolete incentives, and the elimination of unintended abuses. In fact, more than three-fourths of the increased revenues will come from increased compliance and base broadening measures.

I am particularly pleased the bill preserves the individual rate reductions enacted last year. These provisions are essential to ease the burden on individual taxpayers and to restore long-term health and vitality to our economy.

Although I do have some reservations about a few items, it is a good and balanced bill which I can endorse. I know you are aware of my views but I hope you will assure your colleagues of my support for the bill.

Sincerely,

RON

Note: This is the text of identical letters addressed to Senate Majority Leader Howard H. Baker, Jr., and Senator Robert Dole, chairman of the Senate Finance Committee.

Question-and-Answer Session With Reporters on the Situation in the Middle East
July 18, 1982

Q. What about sending Henry Kissinger to the Middle East as a special ambassador, sir?

The President. There've been no decisions or plans or anything of that kind. Simply, George and Judge Clark[1] have asked a few people like that to come in and have a meeting and get their thoughts on what's going on.

Q. Have you made a decision on the cluster bombs and whether a new shipment will go to Israel?

The President. No, we've only received their statement, and we've been reviewing that.

Q. What is their statement?

Q. When are you going to make a statement?

Q. [*Inaudible*]—good idea to take some time now and review arms to Israel, particularly since a new shipment was to go——

The President. What?

Q. Is it a good time now to review what you might promise Israel, considering another shipment was to go tomorrow?

The President. This is what's on our minds right now—everything to do with the Middle East—and trying to find answers to that problem.

Q. What about the Syrian and the Saudi Foreign Ministers?

Q. What about the balanced budget, Mr. President? What are you going to say tomorrow?

The President. Tune in tomorrow.

Q. What about the ones who say that with a big deficit—you shouldn't be campaigning for a balanced budget because you have the biggest deficits in history.

The President. Yes, and there have been giant budgets for 21 of the last 22 years that I didn't have anything to do with. Now, we're going to try to turn the situation around.

Q. Mr. President, what did Mr. Begin say about—in his reply, concerning the—what did Begin say in his reply concerning the use of the cluster bomb?

The President. That report has just come in and is under study right now.

Q. Is it satisfactory?

The President. I can't tell you. We'll tell you.

Q. Thank you.

Note: The President spoke with reporters assembled at the South Portico of the White House as he was returning from a weekend stay at Camp David, Md.

Letter to Leaders of the House of Representatives Urging Support for Production of the MX Missile
July 16, 1982

Dear Mr. Speaker:

I am writing to you and your colleagues to enlist your support in a bipartisan effort that I feel is essential to our national security and indeed the security of the free world in the troubled decades ahead. We have begun to negotiate with the Soviet Union what we earnestly hope will be an equitable and verifiable Strategic Arms Reduction Treaty. I know that you will agree with me that we must maintain a position of unity and strength during these talks which are so vital to mankind.

[1] *Secretary of State George P. Shultz and Assistant to the President for National Security Affairs William P. Clark.*

Last fall I presented my Strategic Modernization Program to you for approval. I am pleased to say that since then we have taken the critical first steps needed to put the plan into action. Our initiatives for bomber modernization, strategic communications improvement, the Trident II program, and strategic defense are well under way. Implementation of our plan for ICBM modernization, however, is not keeping pace with the overall program. I believe that we need positive and prompt action to correct that situation.

With respect to M–X basing, I set forth a plan for resolving this issue by the spring of 1984. The Senate has now asked us to modify this plan. In its recent Defense Authorization Report the Senate expressed a desire for us to select a permanent basing mode by December of this year. I believe we can, with your help, meet that date.

As you know, however, the Senate failed to authorize the production funds needed to begin the production of the M–X missile itself. I cannot over-emphasize to you the serious negative impact this can have on our negotiations with the Soviets and our modernization program. Failure to authorize these funds will delay the program a year and increase the cost. Thus, it is essential that the House act to approve the production funds and that this action prevail in conference.

I believe that we must make a solid commitment this year to deploy the M–X missile. We simply cannot allow the land-based leg of the triad to remain vulnerable. We must also show our Allies that we can make the hard decisions necessary to modernize our strategic nuclear capacity—decisions that promise to have great influence on the pace of ongoing Theater Nuclear Force modernization initiatives within NATO. And while it is my intention that the M–X not be a "bargaining chip" in the START negotiations, we need to secure the powerful leverage that a commitment to produce the M–X would provide as we begin effective arms reduction talks with the Soviets. Finally, we need to capitalize on the sizeable investment of some $4.5 billion that has already been made in the M–X program. These goals can only be achieved if decisive action is taken now to proceed with M–X production and deployment.

As you review this issue, I want to assure you that we intend to propose a final basing mode for the M–X by December. Some Members of Congress have expressed concern over the approval of basing funds before the basing mode is announced in December. I recognize that concern and will cooperate fully if the Congress wishes to place restrictions on the use of these funds until the basing decision is made in December. I urge you, however, to send a clear signal of strong U.S. resolve to the Soviets by fully authorizing and appropriating the funds I have requested for the M–X, especially those funds needed to begin production of the M–X this year. I need your full support of this vital program so that we can make the critical decisions we must in December to implement this much needed element to our modernization program. I further urge you to support restoration of the research and development budget for Ballistic Missile Defense to the level I have requested so that this program can maintain its proper place in relation to the M–X.

Sincerely,

RONALD REAGAN

Note: The text of the letter was released by the Office of the Press Secretary on July 19.

Letter to Congressional Leaders on Procurement of Aircraft for the Airlift Program

July 16, 1982

Dear Mr. Speaker:

One of my primary goals in restoring our defenses is to improve our capability to deploy forces rapidly to defend United States interests. Our airlift program as outlined in the FY 83 Budget will reduce the critical mobility shortfall.

The Congressionally Mandated Mobility Study (CMMS) recommended we increase our air cargo capability by about 25 million ton-miles per day, including at least 10 million ton-miles per day in "outsize" cargo capacity to accommodate critical combat equipment that will not fit on any existing aircraft except the C–5. It is of paramount importance that, when needed, outsize equipment arrive in a timely manner and in a usable configuration. Reassembly of critical components at a forward staging area, as required using commercial aircraft, would limit our combat capability. Moreover, procuring commercial carriers would also require the expenditure of additional funds for modifications that would still not yield the needed outsize cargo capability.

Our proposed airlift program currently before the Congress includes four related components. First, we intend to buy 50 additional C–5 aircraft to reduce quickly the critical shortfall in outsize capacity. Second, we will increase our air refueling/cargo capability by procurement of 44 KC–10 aircraft. Third, we will expand the Civil Reserve Air Fleet Enhancement Program, under which domestically owned carriers can be used in time of need. Finally, we plan to use available FY 81 funds in the C–X program to continue research and development on the C–17, thereby preserving the option of developing the C–17 for procurement in the late 1980s to provide outsize capability and be a potential replacement for C–130 and C–141 aircraft. We believe this combination of actions is required to develop the aircraft capability we urgently require.

In summary, I hope you will agree that the Department of Defense should not be required to substitute commercial aircraft that do not meet our needs. There are no savings if what we buy will not do the job that needs to be done. Therefore, I urge you to reject the commercial aircraft proposal and support our airlift budget as submitted.

Sincerely,

RONALD REAGAN

Note: The text of the letter was released by the Office of the Press Secretary on July 19.

Statement on Signing the Urgent Supplemental Appropriations Act, 1982

July 19, 1982

Yesterday I signed a supplemental appropriations bill, H.R. 6685, which will continue funding for numerous Federal agencies and programs which need the money on an urgent basis. While I do not believe this bill goes far enough to reduce spending, it does represent significant improvement over two previous proposals.

Since last April, I have vetoed two supplemental funding bills because appropriations were far too high—H.R. 5922 and H.R. 6682. Both of these vetoes were sustained, and in the wake of these vetoes, the Congress went back to work and slimmed down spending plans. Altogether, this process of vetoes and reconsideration by the Congress has saved the taxpayers more than $3.6 billion.

While we still have a long way to go before reining in the budget monster, the restraint and compromise in this bill bring us one step closer to control. Under the circumstances, I consider this action a sound economic measure and a victory for the American taxpayer over runaway Federal spending.

Note: As enacted, H.R. 6685 is Public Law 97–216, approved July 18.

Remarks on Signing the Captive Nations Week Proclamation
July 19, 1982

I heard all that applause that you were getting. I almost didn't come out. [*Laughter*]

Six weeks ago when I visited our friends and allies in Europe, I found a warm response to this nation's call for a global campaign for freedom. Our straightforward criticism of totalitarian regimes and our willingness to promote the ideals of individual liberty and representative government struck a responsive chord among Europeans and, I believe, many other millions of people around the globe. Yet, even as I expressed our confidence that the ideals of freedom and the aspiration of self-government would ultimately triumph over those who wish to subordinate the individual to the state, I was confronted with the hard evidence of just how difficult this struggle will be.

In Berlin, a gray, grim monument of steel and stone stands as a reminder of those whose self-proclaimed goal is the domination of every nation on Earth. The tragedy of our time is that this goal has been so widely achieved. Throughout the Baltic States, Eastern Europe and Asia, now in Africa and Latin America, nation after nation has fallen prey to an ideology that seeks to stifle all that's good about the human spirit, even as it attempts to justify Communist rule.

This extension of totalitarianism has not come about through popular movement or free elections. It's been accomplished instead by military force or by subversion practiced by a tiny revolutionary cadre whose only real ideal is the will to power.

It hasn't meant, as promised, a new classless society or the dictatorship of the proletariat. It has, instead, meant forced labor and mass imprisonment, famine and massacre, the police state and the knock on the door in the night. And it's also meant the growth of the largest military empire in the history of the world, an empire whose territorial ambition has sparked a wasteful arms race and whose ideological obsession remains the single greatest peril to peace among the nations.

The ominous growth of this danger, the human suffering that it's caused, is clearly the most important news event of our generation. And it is, as I've said, the tragedy of our time.

In 1959 the Congress of the United States, spurred on by the ruthless and bloody attack in 1956 on the free Hungarian Government, first decided to commemorate the heroism and fortitude of those living in nations in which the right of self-determination has been denied. Today, in this Captive Nations proclamation, and at this first public signing of this proclamation, we keep faith with this tradition and with those to whom it is intended to give hope and moral substance.

Today we, as a nation, also remind ourselves of the preciousness of our own freedom, renew our sacred resolve that someday all the people of the Earth will enjoy the God-given rights of free men and women. We renew especially our hope that those countries of Eastern Europe, Asia, Africa, and Latin America now under Communist domination will someday regain their national sovereignty and, again, enjoy the dignity of their own national traditions.

Since that first Captive Nations resolution passed by the Congress, we've seen equally distressing examples of the assault on the human spirit. The independent people of Afghanistan are giving their lives resisting aggression of the bloodiest kind, and, again, in Poland, the suppression of the rights of Polish workers, the imprisonment of the leaders of Solidarity. All of this, sustained and directed by Soviet military might, is another tragic chapter in the quest of the Polish people for freedom and national sovereignty.

We in the West must do more than merely decry attacks on human freedom. The nature of this struggle is ultimately one that will be decided not by military might, but by spiritual resolve and confidence in the future of freedom, especially in the face of the decaying and crumbling dreams of

Marxism-Leninism.

Lenin advocated resorting to all sorts of stratagems, artifices, maneuvers, illegal methods, evasions, and subterfuges. Well, we in the West have at our command weapons far more potent than deceit and subterfuge. We have the power of truth—truth that can reach past the stone and steel walls of the police state and create campaigns for freedom and coalitions for peace in Communist countries.

How long can one simple fact be ignored or overlooked: that only the totalitarian states mark their borders with walls and barbed wire to keep their people from feeling—or fleeing, I should say, the "workers' paradise."

Some months ago I received a letter from Solidarity leaders who were in the free world during the crackdown by the ruling military junta. These leaders pointed out that totalitarian regimes can be "eroded only from within by nonviolent, popular pressure. Our Polish experience shows how efficient such a drive for change can be. Our adversary is fully aware that our resistance cannot be sustained without a free flow of information and ideas."

Well, these leaders went on to say, "We appeal to you for the same appreciation of the power of ideas and the effectiveness of broadcasting as their carrier. In the long run it may prove to be the least expensive and the most effective option at your disposal." Well, today let me make it clear that we intend to move forward consistent with budgetary requirements with a program to modernize our primary means of international communication, our international radio system.

In carrying out this vital element in our forward strategy for freedom, we'll be redeeming a pledge I made to the American people during the campaign, a pledge deeply felt at the time and deeply felt today. This plan of modernization for a relatively modest expenditure over a number of years will make it easier for millions of people living under Communist rule to hear the truth about the struggle for the world going on today between the forces of totalitarianism and freedom.

The sad fact is that the Voice of America, Radio Free Europe, and Radio Liberty have been neglected for many years. Their equipment is old and deteriorating, their programing resources strained. Little has been done to counter the jamming that has intensified in recent years. The Soviets, I think you should know, spend three to four times more to jam foreign broadcasts than we spend to transmit them. And somebody—we can only speculate as to their identity—perpetrated a devastating bombing of Radio Free Europe and Radio Liberty's headquarters last year.

I want to extend my appreciation to the Congress for agreeing recently to reorganize the management of these international broadcasting channels. And I especially want to urge them today to approve the funds so desperately needed to bring to the people of Cuba, through Radio Martí, the truth about the struggle between freedom and totalitarianism.

We can fully appreciate the fear of those who don't want the truth to reach the people of the Communist world, those who are willing to violate flagrantly the Helsinki agreements or even to engage in terrorist violence to stifle the truth—for the events in Poland during the last 2 years show that when given air time and a little breathing space, the truth becomes a powerful weapon, one which even the most repressive police states must fear.

We're confident that in Poland, in Afghanistan, and in all the captive nations the forces of totalitarianism have won only a temporary, fleeting victory. Against the appeal of democratic ideas, against the hunger and thirst of men and women who would be free, the threat of martial law, imprisonment, or any of the other artful forms of repression can never win lasting triumph.

In an interview that was published here before his imprisonment, Lech Walesa spoke of "the wheat that can grow on the stones," of how brutal represssion only seems to strengthen the hope and hunger of those who long for freedom. He said, "Our souls contain exactly the contrary of what they wanted. They want us, the Communist rulers, not to believe in God, and our churches are full. They wanted us to be materialistic and incapable of sacrifices. We

are antimaterialistic and capable of sacrifice. They wanted us to be afraid of tanks and of the guns. And instead, we do not fear them at all."

The love of liberty, the fire of freedom burns on in Poland just as it burns on among all the peoples of the captive nations. To the leaders of Solidarity, to the people of Poland, to all those who are denied freedom, we send a message today: Your cause is not lost. You are not forgotten. Your quest for freedom lives on in your hearts and in our hearts. God willing, we will see a day when we shall speak together of the joys of freedom and of the wheat that grows on stones.

Now, I better——

Audience member. Mr. President?

The President. What?

Audience member. "God Bless America"—will you sing it with us?

The President. You will have to start.

[*The President joined the group in singing "God Bless America."*]

Thank you. Thank you very much.

Now, I'm going to sign this before you all catch cold. [*Laughter*]

[*The President signed the proclamation.*]

Thank you all. Thank you very much. Now get in the shade.

Note: The President spoke at 11:45 a.m. at the signing ceremony in the Rose Garden at the White House.

Proclamation 4953—Captive Nations Week, 1982
July 19, 1982

By the President of the United States of America

A Proclamation

During the past year, we have witnessed another tragic demonstration of the failure of tyranny to compete with the principles of freedom. The imposition of martial law in Poland on December 13, 1981, served as a bitter reminder that the quest for freedom and self-determination can only be restrained by force. It clearly demonstrated the moral bankruptcy of a system which has been unable to earn the support of its population after more than 35 years in power.

The same repression imposed on the Polish people is evidenced in various ways in other captive nations dominated by foreign military power and an alien Marxist-Leninist ideology. The brutal suppression of sovereignty in Afghanistan and the bondage of the captive peoples of Eastern Europe continue. Among the oppressed we must also count the peoples of many nationalities within the Soviet Union itself; they are victims of long decades of repression.

Twenty-three years ago, by a joint resolution approved July 17, 1959, (73 Stat. 212), the Congress authorized and requested the President to proclaim the third week in July as Captive Nations Week.

This week offers Americans an opportunity to honor our Nation's founders whose wisdom and commitment to self-determination and liberty have guided this country for more than 200 years. Let us once again reaffirm our faith that the aspiration for freedom will ultimately prevail over the rule of force and coercion which denies human rights to so many other parts of the world today.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate the week beginning July 18, 1982, as Captive Nations Week.

I invite the people of the United States to observe this week with appropriate ceremonies and activities and to reaffirm their dedication to the ideals which unite us and inspire others.

In Witness Whereof, I have hereunto set my hand this 19th day of July, in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 10:18 a.m., July 20, 1982*]

Remarks at a Rally Supporting the Proposed Constitutional Amendment for a Balanced Federal Budget

July 19, 1982

Well, my fellow citizens, today we come together on historic grounds to write a new chapter in the American Revolution. We represent men and women of different faiths, backgrounds, and political parties from every region of our country—the people live on Main Street, U.S.A., and they're saying, "We love this land, and we will not give up our American dream."

But for to long, their voices have been ignored. But no army on Earth can stop an idea whose time has come, and our time is now. We don't come as a special-interest group pleading for personal gain; we're messengers of a united people demanding constitutional change.

"Crisis" is a much abused word today. But can we deny that we face a crisis? Thomas Jefferson warned, "The public debt is the greatest of dangers to be feared." He believed that it was wrong and immoral for one generation to forever burden the generations yet to come. His philosophy prevailed for the first 150 years of our history.

President Coolidge said, "There is no dignity quite so impressive and no independence so important as living within your means." But then, without quite knowing how it happened, we began surrendering to a siren song that was called "the new economics." Budgets became chronically unbalanced. Inflation, we were told, was good for us—necessary to prosperity. And the growing debt was no problem, we were told. We owed it to ourselves.

So, we've only balanced the budget once in the last 22 years; the national debt more than doubled in just the last 10. It was ready to break the trillion-dollar barrier when we took office. The debt prorates out to $18,000 for each and every family in the United States. Borrowing to finance the annual interest on that debt, which is greater than the entire national budget just 22 years ago, more than a hundred billion dollars, crowds out investment and keeps interest rates too high.

I've said before on occasion that balancing the budget is like protecting your virtue. You just have to learn to say no. [*Laughter*]

Since 1960 Federal spending has increased nearly 700 percent. That's much faster than our ability to pay for it. This spending was excused in the name of fairness and compassion. But it turned out that fairness and compassion also meant local governments losing control of their communities; working people, small business, and pensioners being hit by record interest rates, inflation, and taxation. And that golden era of growth that we once knew in this land gradually slipped from our grasp.

Let's quit kidding ourselves. Pretending government could spend like there is no tomorrow and not hurt anyone has ended up punishing everyone—and the needy most of all.

While we were doing all this, did we forget the function of government is not to confer happiness upon us? The Declaration of Independence does not say, life, liberty and happiness. It says, "life, liberty, and the *pursuit* of happiness." There are some things that are left to us to do.

Now, these are not Republican or Democratic principles. They're American principles, as important today as they were 200 years ago, when our ancestors were fighting a revolution so that we could be free to work out happiness for ourselves.

Families stand at the center of society. They're the vanguards of America's future. Yet, how can families and family values flourish when big government, with its power to tax, inflate, and regulate, has absorbed their wealth, usurped their rights, and too often crushed their spirit? This na-

tion's greatest transfer program is not welfare; it's the annual turnover of you and your neighbor's income to Uncle Sam.

Runaway government threatens our economic survival, our most cherished institutions, and the very preservation of freedom itself. The people have had it. The people are saying, "Enough."

Well, you know, our administration has the strange idea that you all weren't born just to help government grow fatter. As a matter of fact, we promised to make a new beginning, to build together a brighter future filled with opportunity and hope. Together with a bipartisan coalition, we've cut the growth of Federal spending nearly in half. Imagine how much worse this expected deficit would be if we had permitted spending to keep shooting up at its 1980 rate of 17 percent a year.

Another of our ideas was a reform that I'm mighty proud of, an historic program of incentives for savings and investment with a 25-percent personal tax rate reduction for every American who pays taxes. Now, some critics complain, your tax cut is too big, that it costs government too much. Well, this may be a shock to them, but that money isn't the government's to begin with. It belongs to you, the people who earn it, and it's about time you were allowed to keep a bigger share of your own earnings.

You know, the plain truth is, our tax cut actually does little more than offset the biggest tax increases in our history passed by many of these same complainers back in 1977. We didn't get that trillion-dollar debt because you're not taxed enough; we got that debt because government has spent too much.

Maybe some of you are older to remember a gentleman named Will Rogers. Will Rogers once said, "I see a great deal of talk from Washington about lowering the taxes. I hope they get 'em lowered down enough so people can afford to pay 'em." [*Laughter*] Well, that's what preserving the third year of the tax cut and indexing are all about. Eliminate them, and low- and middle-income earners lose nearly 40 percent of their entire tax reduction.

We can close loopholes; we can broaden the tax base. The tax bill approved by the Senate Finance Committee meets these objectives, and I urge its enactment. It is only by reducing tax rates and slowing price increases that Americans can finally have more money to spend, save, and help the economy grow.

Our program is doing that, but it's been on the books less than a year. We must and we will get America moving again, but not by taxing the American people into the poorhouse. We've only begun to wean ourselves from the long misery of overtaxing, overspending, and the great myth that our national nanny always knows best. We should go further in reducing tax rates and making the whole system more fair and simple for everyone. But before we can do that we must correct and control a budget system that has run amok.

Time and again the good sense of the people is trampled by powerful special interests lobbying to spend and spend and spend. The Congress passed legislation in '78 requiring the budget to be in balance by fiscal year 1981, but just like Rodney Dangerfield, that legislation didn't get no respect. This year the budget resolution was not passed in time to comply with the law. It seems to me that Americans are saying, "No more ifs, ands, buts or maybes—we want an amendment to the United States Constitution making balanced budgets the law of this land, and we want it now."

Now, of course, we have to recognize all balanced budgets aren't created equal. The crucial question is how do we balance the budget? I don't think you want us to balance the budget by weaseling out of the first decent tax program since John Kennedy's tax cut nearly 20 years ago. Nor would you have us do it by compromising defenses and placing our country's security in peril. There is a better way. Balance the budget by bringing to heel a Federal establishment which has taken too much power from the States, too much liberty with the Constitution, and too much money from the people.

There are now two resolutions pending—one in the House and one in the Senate—which enjoy strong support and which would lead to a constitutional amendment requiring a balanced budget. They would require the Congress to adopt a balanced statement of taxes and spending each year.

The growth in tax revenues could not exceed the prior year's growth in national income. This would be a limitation against reaching a balanced budget by simply sending the taxpayers a bill for whatever the deficit might be.

The Congress would have to make tough choices to control so-called uncontrollables. And believe me, that's what this skeptical country is waiting to see. The public could see who's hiding behind the rhetoric of balanced budgets, at the same time they're unwilling to make the cuts in spending to bring them about.

Now, this doesn't mean, as some contend, that the Congress would be bound by a fiscal straitjacket, never able to plan a deficit. It could do so by going on record with a 60-percent vote of the full membership of both Houses. This would be an important discipline.

Once approved by the Congress, the amendment will have to be ratified by three-fourths of the States. It would then take effect for the second fiscal year beginning after its ratification. But ratification itself will produce an immediate impact. From that moment on the watchword to Washington will be "start shaping up or you may be shipping out."

Now, ratification should not be difficult. Thirty-one States have already undertaken a separate initiative in favor of an amendment. And surveys show four out of five Americans want a constitutional check on red-ink spending. My mail reflects this strong support. Republicans and Democrats alike are ready for a goalline stand against big spending, even if that means pruning some popular programs.

People understand that making this government live within its means will ultimately do more to bring down interest rates and put our unemployed back to work than anything else we could do. Balancing the Federal budget will also bring lasting benefits to State and local governments. Once the Federal Government can no longer preempt State and local revenues, then those governments closest to the people can better fulfill their mission envisioned by the Founding Fathers—they can become the true laboratories of democracy in the United States.

I'm honored that leaders of the drive for passage of the constitutional amendment in the Congress—Senate Majority Leader Howard Baker; Senators Thurmond, Hatch, Helms, and DeConcini; and Representatives Michel, Conable, and Jenkins, together with so many of their colleagues—are with us here today. These Members of the Congress are supportive of this amendment. They have worked hard to help us get spending under control. Now the Senate is ready to take another step forward and pass this historic amendment.

I'm encouraged by the spirit of solidarity of the 65 responsible Democrats in the House and 17 in the Senate who are cosponsoring this amendment. They know this is no partisan issue. It is the people's crusade, and today we urge the Congress: Let their will be carried out.

You know, now there are some say that it is dangerous to push for dramatic reform in a period of crisis. Well, I believe it's more dangerous not to. We may always have a crisis of one kind or another. We may not always have another opportunity.

Others insist that a constitution should not embody economic theory. Well, I've got news for them. A wise and frugal government which does not take from the mouth of labor the bread it has earned is not economic theory. The integrity to stand for sound money, an end to deficit spending, and eventual retirement of the national debt is not economic theory. Those principles are the very heart of a tried and proven system—our system, the system which created the greatest outpouring of wealth in all history and distributed that wealth more widely among the people than anywhere else in the world. It's a pity that some seem to have forgotten that.

Then there are elitists who resent Americans like yourselves getting involved in the serious business of changing the Constitution. But our Constitution was not written to protect the government from its people. It was written to protect the people from their government.

I've told on several occasions, you know, there are a lot of constitutions in the world—haven't read all of them, but have read a lot of them—and what is the great

difference that makes ours so unique? In most all of those other constitutions, it says, we, the government, permit the people the following things—they can do this or that. Ours says, we, the people, permit the government to do the following things, and no others.

George Washington told us, in his Farewell Address: "The basis of our political system is the right of the people to make and to alter their constitutions of government." It's been said that nothing will ruin a country if the people, themselves, undertake its safety; and nothing can save it if they leave that safety in any hands but their own.

Fellow citizens, isn't it time to put the safety of our beloved country back into your hands where it belongs? Isn't it time to mobilize the great American lobby and make government understand its job is to wipe out deficits and not let deficits wipe us out?

The price of freedom may be high, but never so costly as the loss of freedom. This is our moment to make our stand, to renew our revolution—the real revolution. We are a nation under God. Freedom is not granted to us by government; it is ours by divine right.

Our purpose is to provide, within a system of laws, the ultimate in dignity and individual opportunity to every American, without exception. Let us accept our responsibilities. Let history record that, when America needed us most, we didn't cut and run.

Leave here today strengthened by renewed faith and determination that we will do whatever it takes to make this government, once again, the faithful servant of the American people.

Thank you very much, and God bless you all.

Note: The President spoke at 1:07 p.m. from the steps at the West Front of the Capitol.

Earlier in the day, the President met at the White House with a group of civic and business leaders who support the proposed amendment.

Nomination of Kenneth W. Dam To Be Deputy Secretary of State
July 19, 1982

The President today announced his intention to nominate Kenneth W. Dam to serve as the Deputy Secretary of State, vice Walter J. Stoessel, Jr.

Mr. Dam has been the provost of the University of Chicago since 1980 and the Harold J. and Marion F. Green Professor of International Legal Studies, University of Chicago Law School, since 1976. He first joined the faculty of the University of Chicago Law School in 1960 and was named professor of law in 1964.

Mr. Dam left the University of Chicago to serve in the Federal Government as Assistant Director for National Security and International Affairs in the Office of Management and Budget in 1971. In 1973 he was named Executive Director of the Council on Economic Policy. After returning to the faculty of the University of Chicago Law School in 1974, Mr. Dam served as a consultant to the Office of Management and Budget (1974), Department of the Treasury (1974), the Administrative Conference (1974–1975), the Commission on the Organization of the Government for the Conduct of Foreign Policy (1975), and the Federal Trade Commission (1975–1976).

He is the author of numerous books and articles. In addition, Mr. Dam was adjunct scholar and member, academic advisory board, the American Enterprise Institute, from 1976 to the present; consultant to the RAND Corp., 1974 to the present; and a member of the board of directors of the Chicago Council of Foreign Relations, 1979 to the present.

Mr. Dam received his B.S. degree from the University of Kansas in 1954 and his J.D. from the University of Chicago in 1957.

After graduation from law school, he was law clerk to Mr. Justice Whittaker, the U.S. Supreme Court, and thereafter was associated with Cravath, Swaine & Moore in New York City from 1958 to 1960. Mr. Dam is married to the former Marcia Wachs, and they have two children. He was born August 10, 1932, in Marysville, Kans.

Nomination of W. Allen Wallis To Be an Under Secretary of State

July 19, 1982

The President today announced his intention to nominate W. Allen Wallis to serve as the Under Secretary of State for Economic Affairs. He would succeed Myer Rashish.

From 1962 until the present, Mr. Wallis has been affiliated with the University of Rochester, first as president and chief executive officer and professor of economics and statistics, and since 1970, as chancellor and trustee. Concurrently, in 1978, he become professor emeritus and honorary trustee.

Mr. Wallis began his academic career in 1935 as Granville W. Garth Fellow in Political Economy at Columbia University. In 1937 he was named as instructor in the department of economics, Yale University. From 1938 to 1946, Mr. Wallis was on the faculty of the department of economics at Stanford University, first as assistant and later associate professor of economics. In 1946 he moved to the University of Chicago faculty as professor of statistics and economics, Graduate School of Business. In 1949 he served as chairman of the department of statistics and, from 1956 until 1962, was dean of the Graduate School of Business.

Mr. Wallis has served the Federal Government in numerous capacities, including membership on the President's Commission on an All-Volunteer Armed Force (1969–1970), the National Commission on Productivity (1970–1974), and the Corporation for Public Broadcasting (1975–1978). Moreover, he was on the task force on education and the transition team on the International Communication Agency for President-elect Reagan.

Over the past 20 years, Mr. Wallis has been elected to the board of directors of nine major U.S. corporations, including Bausch & Lomb, Macmillan, Eastman Kodak, Metropolitan Life Insurance, and Standard Oil of Ohio. In addition, Mr. Wallis holds several trusteeships and has served the academic, civic, and philanthropic communities in numerous capacities. He has authored 10 books and monographs and frequently has published scholarly articles on economics and public and international policy.

Mr. Wallis graduated magna cum laude with an A.B. from the University of Minnesota in 1932. He is a member of Phi Beta Kappa. In addition, he studied economics on the graduate level at the University of Minnesota and the University of Chicago from 1932 to 1935. He is married to the former Anne Armstrong and has two children. He was born November 5, 1912, in Philadelphia, Pa.

Nomination of William Schneider, Jr., To Be an Under Secretary of State

July 19, 1982

The President announced today his intention to nominate William Schneider, Jr., to be Under Secretary of State for Coordinating Security Assistance Programs. He will succeed James L. Buckley.

Dr. Schneider is presently the Associate

Director for National Security and International Affairs for the Office of Management and Budget. Dr. Schneider is an economist and defense analyst and was formerly a staff associate of the Subcommittee on Defense of the Committee on Appropriations in the U.S. House of Representatives (1977). Prior to joining the House of Representatives staff, he was a U.S. Senate staff member and a professional staff member of the Hudson Institute. At the Hudson Institute he contributed to studies on strategic forces, Soviet affairs, theater nuclear force operations, and arms control. Dr. Schneider is the author of several works on defense policy.

Dr. Schneider received his Ph. D. degree from New York University in 1968. He is a resident of Rockville Centre, N.Y., and was born November 20, 1941.

Remarks at a White House Reception for Members of the Davis Cup Tennis Team and the United States Ski Team

July 19, 1982

Well, we were worried about you, perhaps, catching cold, so we moved this in from the East Lawn out here. I know that you'll be pleased to know about that.

Nancy and I are especially pleased to welcome you to the White House, our national home, this afternoon. I realize that many of you have broken training to be here, and we appreciate that. We ask, however, that, if you feel a sudden urge to run windsprints, just avoid the Rose Garden. [*Laughter*] We just had it replanted.

No one belongs on these grounds or in these halls more than you. Someone once said that youth was America's oldest tradition, but I would amend that to be youth striving for excellence. You live that tradition. You've worn your country's colors in contests around the globe. Setting world records and winning world championships, you've made your countrymen proud. And in you, we've looked for courage, excellence, and honor. And in you, we have found it.

Each of you has had moments of glory in your career. But one recent moment typifies the inspiration all of you've given to our people. I'm sure you can guess that moment in tennis that I'm thinking of. After 6½ hours of play, the largest indoor crowd in Davis Cup history had been whipped to a frenzy and were stomping and shouting, "U.S.A.! U.S.A.!" And they say the crowd couldn't sit down. The players could barely stand up. [*Laughter*]

It'd been the longest match that John McEnroe had ever played, 79 games in 5 sets of grueling but exquisite tennis. "In the fifth set, I was feeling it," John said, "but I hung in there." Well, that was John's moment. As physically, emotionally, and mentally drained as he was, he reached within himself for the talent and tenacity to persevere.

You know, someone once said about heroism that "a hero is no braver than anyone else; he's just brave 5 minutes longer." Well, we had 6½ hours of that. We won the game, and we will go on to face Australia in September. But at least one newspaper reported that "by the time it was over, the game didn't seem as important," the reporter wrote. "It seemed they were fighting for excellence."

Well, on behalf of all Americans, I want to thank John and each of these athletes here for the inspiration that they've given us, on snow as well as on the courts. If every American strives for individual excellence, we can find it together as a nation. Watching you, we renew our faith in ourselves and our country.

It's a thrill to have the Davis Cup here at the White House and to celebrate with your tennis and skiing accomplishments. Your country's very proud of you. And we thank you for the honor you bring us, wish you luck in the future, and leave you with a very American challenge, that you continue

to live up to the best and the highest standards that you know.

Thank you very much.

Note: The President spoke at 5:15 p.m. in the East Room at the White House.

Remarks at a White House Briefing for Hispanic Appointees and Members of the Hispanic Community
July 20, 1982

Please sit down. They don't give me too much time. [*Laughter*]

Thank you very much. *Buenas tardes,* and thank you all for being here. And welcome to the White House—and I could say the Casa Blanco. And when I've said that, I've come about at the end of my linguistic ability—have to get back to my own language.

I had an experience once. A previous President, when I was Governor of California, had asked me to represent him on a mission to Mexico. And I made a speech and sat down to very scattered and unenthusiastic applause, which was kind of embarrassing, particularly when the next man up started speaking and was being warmly interrupted by applause every other sentence. And to hide my embarrassment, every time I started and applauded louder than anyone else, until our Ambassador leaned over and said to me, "I wouldn't do that if I were you. He's interpreting your speech." [*Laughter*]

I know that you're going to be briefed by members of the staff when I get out of here, so I'll try to make my remarks short.

I hope that your presence here today assures you that we do not take the Hispanic community for granted. I'd be less than candid if I didn't admit that there's an election coming up and that we want to see the healthy bipartisan trend in the Hispanic community continue. But at the same time I don't want anyone to get the idea that we've adopted the tactic used by the other party of just rediscovering blocs of voters every election year. That has not been and will not be our way.

Americans of Hispanic descent have been playing a major role in this administration and have been doing so since day one. Recently at the United Nations I talked about the need for deeds, not words. Well, the record shows that while we may not have matched the rhetoric of the other party, we've more than matched them when it comes to deeds. We've brought more Hispanic Americans into the executive branch at higher levels than any previous administration.

By the end of our first year, there were 17 in policymaking positions requiring Senate confirmation. Now, that's almost twice as many as there were after the first year of the previous administration. Of course, we didn't stop at the end of the first year. We've gone right on. We've continued to make significant Hispanic appointments.

Just recently I was proud to nominate Everett Alvarez to be Deputy Administrator of the Veterans Administration. That name should be familiar to you—the man who served the longest as a POW in Vietnam. And I was very proud and happy to meet him upon his first arrival home in California. Elizabeth Flores Burkhardt, when confirmed by the Senate, will be a member of the National Credit Union Administration. And Tony Gallegos has been confirmed as a Commissioner of the Equal Employment Opportunity Commission.

Closer to home we've also brought Hispanic Americans onto the White House staff as never before. Some of you may already know this—news has a way of leaking out around here. I sometimes think that I'll just start talking to the chandeliers and see how quickly I'll find it in the paper. [*Laughter*] I'm appointing a new Special Assistant to the President for Public Liaison to be our outreach person to the Hispanic community, and his name is Henry Zuniga, who has been doing a fine job. And I have the utmost confidence—and evidently you do too—that he'll continue to be an indispens-

able link between us, bringing your concerns and ideas into the inner circle of the White House as well as taking some of our concerns out to you.

I don't want to belabor this point, but there are many fine Hispanic Americans throughout the executive branch and on the White House staff. Velma Montoya was appointed just a few weeks ago to a major policy formulation position in the White House. Many of you know Rafael Capo, who is one of Vice President Bush's closest advisers. And two weeks ago Susan Alvarado was made Vice President Bush's chief assistant for legislative affairs. And certainly you're all aware of Diana Lozano, who plays a major role coordinating our outreach program, not only to Hispanics but to other groups of citizens with special concerns—women's organizations, veterans groups, other minorities, and conservative groups.

But let me point out. These Hispanic members of the administration are not picked because of their ethnic background. They were chosen because they're skilled, intelligent people who have a contribution to make. They just happened to be the best people for the jobs that we asked them to do. Perhaps that's one difference between our approach and that of the other side. They talk about equality, but we believe in it.

Now, a tough battle is going to be fought in the Hispanic community this election year. The words get pretty thick out there at election time, and the demagogues get all revved up. So today, assuming that you are on our side, I thought I'd give you some ammunition for the coming months.

First, it's widely recognized that the basic values that we spoke about in the last campaign and long before that are values identified closely with Americans of Hispanic descent. With this in mind, our political compatibility on many issues is more than just a coincidence. We seek to reaffirm basic institutions which during the last decade have come under severe attack.

You have strong family ties and an admirable sense of community, and we share those concerns. Knowing this, we believe, for example, our tuition tax credit plan should have a natural appeal to you who feel so strongly about the moral values maintained by this country's religious school systems. Already many Hispanics send their children to these independent schools in great numbers, and our plan will give them some relief from the double taxation of supporting both private and public schools.

Speaking of moral and religious values, it seems to me that many who have children in public schools should support our efforts to permit voluntary prayer in those schools.

We have no reason to hang our heads on issues that may be of special concern to your community. Perhaps you can remind others that this administration did support the voting rights bill. We've developed a new rapport with Mexico, a rapport that's based on mutual respect, that is better than at any time in the history of our two proud nations.

The issues I've talked about are of course concern to all Americans. The fact that they may have particular appeal to Hispanics only suggest that you're darned good Americans, and we should never forget it. This has been no secret in the military, where Hispanic Americans have served with exceptional courage and valor, as I mentioned with connection with Commander Alvarez a moment ago. And they've achieved a memorable record for courage.

Just last year I was honored to present Roy Benavidez with this country's highest military award for his service in Vietnam, the Congressional Medal of Honor. I don't know why there'd been such a delay in his receiving that medal, but when we discovered that it had not been awarded—and I think maybe some of you might like to hear why. That medal is only given for service above and beyond the call of duty.

This former farmboy from down in Texas was working at headquarters when some helicopters came in all shot up, their crews wounded, from trying to rescue an American patrol surrounded totally by the Viet Cong. And he, just on his own, climbed into one of the outgoing helicopters that was to go out and make another attempt to rescue these men.

He dropped from the first helicopter that came in before it touched the ground, made his way 75 yards under fire to the

location of the surrounded patrol. There were only eight of them left alive—all wounded. One by one he picked them up and under fire continued to carry them out to the helicopters that would come in and land to get them. At one point they had men on a helicopter, and the pilot of the helicopter was killed as it started to take off. It crashed back to Earth. He took them out of that helicopter and to another helicopter. He was shot four times while he was doing all this.

Finally, bringing out the eighth man with four bullet wounds in himself, he was attacked hand to hand by a Vietnamese with a rifle and bayonet. And I have to tell you in his own words—he put the wounded man down and then tried to get his own bayonet out of his belt. But in the meantime, he told me that they're told how to ward off a bayonet with their arm if they can, but he said you don't really think about that. So he grabbed the other man's bayonet under his arm—and his arm is totally disabled now from the sawing the man did trying to get that bayonet out. But when he told me about this particular incident on our way over to the medal presentation, Roy said to me, said, "That's when I got mad." [*Laughter*] And he did. And he finished off his assailant and picked up the wounded man and made it out.

And then at the presentation over at the Pentagon we had brought back as many of the eight men as we could get that he had rescued to be present as guests at that ceremony. And you would have puddled up as I did to stand there beside him and see those men when they came to him in the receiving line, to see them throw their arms around him, to see their tears, and to see them thank him for saving their lives. And then they turned to me, some of them, and tell me what their life was like and how much they owed to Roy Benavidez, master sergeant.

He is back now on part-time in military duty, working as a recruiting officer. So, I just thought you might like to hear about him.

I could go on all day about this, but I know you've got a full schedule ahead of you—and they have some other things for me to do. So, I want to just thank you again for being here and for representing a proud part of our American culture and heritage.

God bless you all. Thank you.

Note: The President spoke at 1:33 p.m. in the East Room at the White House.

Nomination of Wilmer D. Mizell, Sr., To Be an Assistant Secretary of Agriculture

July 20, 1982

The President today announced his intention to nominate Wilmer D. Mizell, Sr., to be an Assistant Secretary of Agriculture (Government and Public Affairs). He would succeed James C. Webster.

Mr. Mizell is presently with Southern Tool Manufacturing Co., Inc., in Winston-Salem, N.C. He served as Assistant Secretary of Commerce for the Economic Development Administration in 1975–1976. He served as United States Congressman, representing the Fifth District of North Carolina in 1969–1974. He was with the Winston-Salem Pepsi Cola Bottling Co. in 1963–1968. He played professional baseball in 1949–1953 and in 1955–1962.

He served in the United States Army in 1953–1955. Mr. Mizell is married, has two children, and resides in Winston-Salem, N.C. He was born August 13, 1930.

Nomination of the Federal Cochairman and Alternate Federal Cochairman of the Appalachian Regional Commission
July 20, 1982

The President today announced his intention to nominate the following individuals to the Appalachian Regional Commission.

Winifred Ann Pizzano to be Federal Cochairman of the Appalachian Regional Commission. She would succeed Albert P. Smith. She is presently serving as Deputy Director of the ACTION agency. She was principal, Arthur Young and Co., and director, Health Care Practice, in 1975–1981. She served as executive administrator of the division of emergency medical services for the Illinois Department of Public Health in 1972–1975. She was assistant to Governor Ogilvie of the State of Illinois in 1971–1972. She graduated from the University of Pittsburgh (B.A., 1963). She resides in Arlington, Va., and was born March 24, 1942.

Jacqueline L. Phillips to be Alternate Federal Cochairman of the Appalachian Regional Commission. She would succeed William E. Albers. She is presently serving as program consultant for the National Federation of Republican Women. She has been with that organization since 1981. She was a delegate to the 1980 Republican National Convention. She served as membership chairman of the Maryland Federation of Republican Women in 1979–1981. She attended Madison Women's College and the University of Maryland. She is married, has four children, and resides in Silver Spring, Md. She was born October 6, 1935.

Remarks at a Reception Marking the Formation of the James S. Brady Presidential Foundation
July 20, 1982

The President. Well, of course we all know why we're here. And I think it's wonderful that so many of you would join in what is a most, I think, wonderful and worthy endeavor, the idea being to start a foundation. It'll be named the Brady Foundation in honor of Jim Brady. And, of course, the purpose is to have a permanent foundation for individuals who have happen to them what happened to Jim in attempts of the same kind, from the past and for the future.

Jim Lynn is going to serve as president of the Brady Foundation. Joe Rodgers and Bob Strauss are going to be the Foundation's cochairmen.

You know, I don't know how many of you at the Old Timer's Baseball Game last night noticed—I think all of us here have a love for Jim Brady, and he certainly proved he has high connections. He was out at the ballgame—and I don't think you even knew that—and it was raining. And he was introduced, and it stopped raining. [*Laughter*]

So, there is much more to be said for it than that. This thing—and we—I think all of us are going to do everything we can to see that it succeeds and that it does become permanently established and able to make provision for those who paid a price and who need its help.

I couldn't say anything to any of you about the man we honor, Jim Brady, that you don't already know. And so—have you got anything to say?

Mrs. Reagan. Oh! [*Laughter*] Oh, dear.

The President. Well, you said you wanted the youngest and most handsome—[*laughter*]——

Mrs. Reagan. My Y and R.

The President. Well, I'm not going to keep you here. I think the purpose is a little entertainment and——

Mrs. Reagan. Y and H, not Y and R.

The President. Yes, Y and H.

Mrs. Reagan. Y and H.

The President. Yes.

Mrs. Reagan. Young and handsome.

The President. All right. Well, thank you again, all of you, for being here.

Note: The President spoke at 5:30 p.m. at Decatur House.

The foundation is a public foundation established to provide assistance to any needy individual wounded or killed in an assassination attempt on any senior Federal official, Presidential candidate, or family member of the President or Vice President of the United States. Assistance would also be provided to the victim's family. The foundation also is authorized to create certain scholarships as a tribute to such victims or to encourage young people to enter government service.

Interview With Paul Duke of WETA-TV on the President's Relations With Congress

July 16, 1982

Mr. Duke. Mr. President, you came to town, like Jimmy Carter, as an outsider, but the results have been vastly different. How do you explain your mastery of the legislative branch?

The President. Well, I don't know whether I'd have the nerve to use that word "mastery" as you did. But I had 8 years experience as Governor of California in which for about 7 of those 8 years both houses of the legislature were of the opposing party, and we managed to get a great many reforms in—the welfare reforms that were so tremendously successful, things of that kind. But I came here with the same idea, that we're coequal branches of the government.

They have got their problems, and it is a case of common sense and consultation. And I've had 11 formal meetings with the leadership of the House and the Senate here. I've gone to the Hill 9 times myself, and I understand that for 18 months that's kind of a record.

Mr. Duke. Senator Baker, the Republican leader, said that you have an instinctive feel for how the legislative branch works, and others who've come down to the White House say that you've also capitalized on your charm and your personality and your persistence. And I am wondering, did acting give you the training and the skills to sell your program to Congress?

The President. Well, I suppose we're all the sum total of everything that's happened to us and all the experiences we've had in our lives. So, whether that contributed something or not, I don't know.

I must say this about getting along with the Legislature. I am deeply indebted to Senator Howard Baker and to Representative Bob Michel, the Minority Leader in the House, for the great cooperation and the help that I've had from them, the masterful job they've done in those two positions that they hold as leader of the Senate and Minority Leader of the House.

Also, when I say "consultation," I find that the job of keeping track of what's up there, of not pulling surprises, of letting them know—we have a group in the administration here that is appointed expressly for the purpose of legislative strategy, to keep track of our own proposals—and I try to remember that the President proposes and the Congress disposes—to keep track of these things. If there is something that we feel we'd have trouble with and, perhaps, have to find ourselves in a veto position, we see that they're aware of that and what it is that puts us in that position in advance, and then keep in constant touch. And it doesn't hurt, every once in a while in keeping in touch, to say some "thank you's."

Mr. Duke. Well, you go beyond that, though, Mr. President, because, when you talk to people on the Hill, there's a common refrain that comes through. They all say, we go down to the White House, and Ronald Reagan is a terribly charming man. Is there a politics of affability which has served you well? Is that a real skill in getting things done?

The President. Well, I don't know whether it's a skill or not, but I like people. And I certainly don't meet them with a chip on

my shoulder. I think of it as the President is the only one in town who's elected to represent all the people. Their problems are that, as Senators, they are elected, yes, to represent the people of this country, but, also, to have in mind the particular interests of their State and the problems of their State. A Representative, again, represents all the people, but also has specific things that he's responsible for with regard to his congressional district.

So, I know that. And I know that they, too, have problems. And these problems have to be reconciled. And sometimes it's going to weigh on them that something that they might be able to feel might have some benefit nationwide, but would be at a cost to their district or their State, that they can't support, and so you try to reconcile all of those viewpoints.

Mr. Duke. And that's difficult, because we know that there's a great deal of hypocrisy which goes on at all times. I mean, we know that Members will get up on the floor, and they will do a great deal of grandstanding, and they'll talk about cutting Federal spending. And then they'll be running down to the White House or running to some of the agencies, demanding that "no cuts be made in my tobacco subsidies or my sugar subsidies," or the dam project that you want for back home, additionally. How do you deal with all that?

The President. Well, again, as I say, it's one in which you—I can understand their responsibilities for those particular areas or projects of their district or State. And then I have to weigh that against the advantage or disadvantage for the whole country. And if it's one in which they must lose, that the national benefit outweighs the local benefit, then it's just a case of presenting that to them. And you'd be surprised how many times they recognize that the overall national good has to come first.

Mr. Duke. So you see it, though, primarily as a matter of give and take on both sides, your side as well as their side.

The President. Yeah.

Mr. Duke. Mr. President, I think one of the things which surprised us a great deal in Washington was that you turned out to be a far better politician than a lot of us thought you would be. And people will tell me that you have a gritty, competitive side to your personality. Do you enjoy the attack and counterattack that characterizes so much of the warfare between Capitol Hill and the White House?

The President. Well, I haven't thought of it as warfare. There is a kind of competitive thing to this. But in the last analysis, you have to come down on the side of what you feel inside is right, and then you do your utmost to convince someone who's in an adversary position at the time why you feel you're right and why you feel you must take the position that you do and have what you've asked for.

Mr. Duke. But that's the motivating force as you see it.

The President. Yes.

Mr. Duke. When you get into battles with Congress, obviously there's a matter of timing—when do you call Senator X who's been wavering; when do you make the practical compromise; how do you decide that? How involved do you yourself get in the legislative strategy of the White House?

The President. Well, I must be honest and confess that it would be impossible with all that's on my plate to know the timing of things of that kind. And so, there I depend on, again, this group in the White House to tell me, because—in other words, is something coming up in committee; is it coming to the floor; is this the time now; and that it's the best time to make the call before something comes to a vote. So, I depend on them for that.

Mr. Duke. But do you feel that the experience you've gained as Governor of California, in dealing with the California Legislature, has enabled you to have this sense of timing, to know when to move, when to maneuver?

The President. Well, I think from experience, yes, you have some of that. You could do it too soon—and memories are short—and it's worn off by the time the vote comes.

Mr. Duke. But you also have to be constantly vigilant, always protecting your flanks, don't you?

The President. Well, yes.

Mr. Duke. It is not totally, 100-percent favorable from the Hill standpoint, Mr.

President. While everybody does talk about your affability and the fact that they come down—they love to come down to see you, and they love the stories which you spin—you also get another side from some Members who say that you're not always strong on substance, that sometimes you're out of touch, and that sometimes you have too simplistic a view of things. How do you see yourself?

The President. Well, I know there are criticisms of that kind. I don't particularly admit that the criticisms are justified. I think now and then to use an anecdote saves a lot of words sometimes to be able to tell something that illustrates what it is we're trying to do. If you have some example, for example, of bureaucratic dillydallying or repetitive things that aren't needed and you can tell that example, it saves several paragraphs of just trying to reason with someone in explaining what it is that you're trying to correct.

And I find, though, it's not only that you come down at the moment of consultation—for example, something to do with foreign policy right now and the act that requires consultation with the Congress with regard to—well, my announcement recently of saying that in principle, if it was essential to bring peace to the Middle East and to Lebanon, the use of American troops in a multinational force. But the other day, I didn't wait—they hadn't been invited, so there is nothing to go to the Congress about—but since the word was out and was in the press and had been leaked that this had happened, I had a very fine meeting with the leadership of the Congress on this in explaining exactly where we were and so forth, in advance, a totally informal meeting that would precede, if the need arises, when I must go to them formally. And I understand that some of them from both parties went out and said it was one of the best meetings of that kind they'd ever had.

Mr. Duke. But would you concede, Mr. President, by nature that you are the kind of political leader who sees the broad, general picture and is not that interested in the specifics or the detail of a lot of legislative matters?

The President. No, I think I brought that from the experience in California, that I know the importance of the detail. My job, of course, is to sell—if there is a dispute there—is to sell the overall goal that we're trying to achieve. And so I center on that.

Mr. Duke. There are also complaints about the administration's managerial style, Mr. President. In talking with many Republicans at the Capitol in recent days, I find a common thread running through what they say. Most of them say we don't have that much quarrel with the President himself, but they do say that your agents and the administration's representatives on the Hill frequently are too arrogant, that they don't return phone calls, that they don't pay attention to the advice given from Capitol Hill, that they're insensitive to the political needs of Members of Congress. Are you aware of that?

The President. I don't think it's true. I think anyone can find some incident or some oversight or something and complain about it. But I have to again say that I became accustomed in the 8 years in California, and already here, that there is a tendency to invent a palace guard and pretend that the President is being protected from the palace guard, and therefore is not aware of these things. I know that in the hectic pace that now and then something can slip by. I have not heard anyone—if there is anyone on our side that's being arrogant, I certainly want to know about it. But I don't know of anyone that is, and I have not had that complaint come to me.

Now, I get the summary of all of the mail also, and it's a considerable reading problem, the congressional mail. And so that isn't ignored. And I see all those letters that are written—and some with an individual or particular problem or some with a group of Representatives or Senators—that's all put on my desk.

Mr. Duke. So, you don't feel that the ship may be run a little too loosely, that perhaps you've delegated too much authority?

The President. No.

Mr. Duke. Mr. President, there's also the matter of comity between the legislative and the executive branches—the bond of respect. And some of the Republicans at the Hill say there is a problem in that they will negotiate deals with the Democrats, and

then White House officials and others will come along and undermine those deals. And this makes it much more difficult, that it affects their credibility at the Capitol.

The President. That, I think, is a part of the whole process that goes on. Let's take the economic program a year ago in the combination of the tax program and the budget reductions. We didn't get all we wanted, and we had to—in addition to not getting everything we asked for, we also had to take some things that we hadn't asked for. Now, that's a case of in the give and take in the legislature, of what they can get. Well, then, still I'm a party to that also, and I have to speak up, or my representatives, if there is a price that we feel is too high. I can't accept something that is totally contrary to the principle that we're trying to obtain in that program.

And the same was true of this most recent budget bill. That was not the bill that I would have submitted—and there were seven versions on the floor at one time, most of which were unacceptable, because they wouldn't do the job, and they wouldn't come close to the goal we're trying to achieve. But they did evolve one that I could call back and say, yes, this one I support.

Now, I'm sure that someone, say, on our side who has negotiated something and been willing to give to get something in there, can be a little irked if I don't agree that he was paying the right price.

Mr. Duke. Mr. President, you've started to veto some of these bills now. Can we expect a lot more vetos in coming weeks and months?

The President. If they're budget-busters, yes. I said that. They've passed a resolution, a budget resolution. I realize that that must be followed by appropriation bills. If they ignore the ceilings that have been put in the budget resolution, which they can do, send an appropriation that would, if passed, have the budget go way beyond the bounds that were set, then I have to veto it.

Mr. Duke. We're also into an election campaign, and it may be a tough year for the Republicans. Some of the polls indicate that. If the Democrats, for example, pick up 10, 20, or 30 seats in the House of Representatives, what happens to your conservative majority? How will that affect your program?

The President. Well—in the House, you say?

Mr. Duke. In the House.

The President. Well, if they only pick up 10, then we've won a great victory, because if you look back in history, the first off-year election the party that is out of power in the White House normally picks up about 40 seats. That's just been traditional. And so you start from behind with this bielection that is coming up. And I'm just—I'd like to pick up some more. I'd like to have more Representatives in there than we have. But I understand I would be bucking tradition and history. So, when you use that figure 10, that would be only about a fourth as many as traditionally you're supposed to lose.

Mr. Duke. Tip O'Neill—you and Tip O'Neill have mixed it up a bit. He says he likes the Irish side of you, that he wishes you were a little more Irish and a little less Republican.

The President. [*Laughing*] I'll tell you, Tip and I, we get along fine. There's nothing personal in our contest. And, actually, there's nothing really political. It is philosophical. Tip really and sincerely and honestly believes in the philosophy—which I once believed in and found I could no longer follow—of taxing and spending and government trying to do things that I think are beyond government's proper province. And he sincerely believes that. So, it's a battle of philosophies between us. But, as Tip said, come 6 o'clock, we're friends.

Mr. Duke. And you're still friends?

The President. Yes.

Mr. Duke. Mr. President, as you sit here every day grappling with the affairs of state, do you ever wish that you had run for the Senate from California as you once considered? Do you ever wish that you were up there instead of being here?

The President. No, I never considered running for the Senate. I was asked once to run for the Congress when I was a Democrat and—by fellow party members—and said, no, I liked the career I had. I never in my life intended or believed that I would ever have a desire to run for office. And it

was in 1965, after the 1964 election, when our party in California was badly shattered, that people began pressing me to run for the Governorship. And it got to the place that neither Nancy or I could sleep. They kept emphasizing that they felt that this was the only way that we could pull the party together and that I could win.

And I have to confess something. I honestly believe that when I finally gave in, very reluctantly, and said yes, I really hadn't thought beyond winning the election. And it dawned on me after I'd said yes that if I won the election, I was going to have a job for several years.

No, I was never tempted to seek a legislative position, certainly not after serving as Governor.

Mr. Duke. Anyway, you prefer being President to being a Senator.

The President. Yes.

Mr. Duke. I want to thank you very much for the visit here, Mr. President.

The President. Well, it's been my pleasure.

Note: The interview began at 2:30 p.m. in the Library at the White House. It was taped for later broadcast on the Public Broadcasting Service program "The Lawmakers."

The transcript of the interview was released by the Office of the Press Secretary on July 21.

Message to the Congress Transmitting the Annual Report of the Council on Environmental Quality
July 21, 1982

To the Congress of the United States:

I am pleased to transmit to the Congress the Twelfth Annual Report of the Council on Environmental Quality.

The American people insist on a quality environment. We also strive for economic progress and the promise of a better life. A clean healthy environment is a fundamental part of that promise.

Our air must be fit to breathe and our water fit to drink. We require standards of environmental quality that will protect the most vulnerable—the very young and the very old, the infirm and the yet to be born. We care about our parks, our wilderness, our wetlands and our endangered species.

We have already made great progress toward ensuring a healthy environment. Our general course has been charted with the passage of numerous Federal and state environmental laws. Our state governments and many localities have strengthened their capabilities for dealing with environmental issues. Many of our industries are coming to view the generation of wastes as lost profit potential. It is now time to make sure that the paths we have chosen are the best ones. It is time to review the environmental regulations and to make certain we are doing the most efficient job possible. Certainly we can afford a clean environment, but we must work for it in the most creative and effective way.

To operate more efficiently, I believe we must take two major initiatives. First, we must create a more innovative and flexible regulatory and economic framework in which our environmental programs operate. Regulations should complement, not stifle market forces in determining the most cost-effective methods of proper environmental management.

Second, I believe that environmental decisions should be brought closer to the people most affected by them. Particularly in the past decade, the various state and local governments have substantially improved their capability for dealing with environmental issues. Therefore, we should increase our reliance upon that expertise. The Federal government should continue to establish environmental quality standards,

assure the enforcement of such standards, help to resolve environmental issues of a regional and interstate character, and continue to develop the scientific and technical information necessary to carry out environmental protection programs at all levels of government.

Working together, we can make the necessary changes to reach our environmental goals, and at the same time use our resources wisely with the help of the free market. As we do, we will create a healthful environment in a healthy economy.

RONALD REAGAN

The White House,
July 21, 1982.

Note: The 291-page report is entitled "Environmental Quality 1981—12th Annual Report of the Council on Environmental Quality."

Nomination of James C. Treadway, Jr., To Be a Member of the Securities and Exchange Commission

July 21, 1982

The President today announced his intention to nominate James C. Treadway, Jr., to be a member of the Securities and Exchange Commission for a term expiring June 5, 1987. He would succeed Bevis Longstreth.

He is a partner in the law firm of Dickstein, Shapiro & Morin, of Washington and New York. He was an associate with the firm of Gadsby & Hannah in 1968–1972 and was an associate with the firm of Candler, Cox, McClain & Andrews in 1967–1968.

He graduated from Rollins College (B.A., 1964) and Washington and Lee University (J.D., 1967). He is married, has two daughters, and resides in Washington, D.C. He was born May 21, 1943.

Nomination of Harry J. Staszewski, Jr., To Be a Member of the United States Metric Board

July 21, 1982

The President today announced his intention to nominate Harry J. Staszewski, Jr., to be a member of the United States Metric Board for a term expiring March 23, 1988. He would succeed Sandra R. Kenney. He is the founder of the American Institute of Weights and Measures. He is also owner of HJS Diversified (distributing company). He serves as avionics technician-sales manager for Erie Airways, Inc. He has been a captain in the U.S. Marine Corps Reserve since 1969.

Mr. Staszewski graduated from Gannon University (B.S., 1973). He is married and resides in Erie, Pa. He was born January 26, 1951.

Appointment of Two Members of the Federal Service Impasses Panel

July 21, 1982

The President today announced his intention to appoint the following individuals to be members of the Federal Service Impasses Panel, Federal Labor Relations Authority, for terms expiring January 10, 1987.

N. Victor Goodman would succeed James E. Jones, Jr. He is currently engaged in the practice of law in the private sector. He is a partner in the firm of Topper, Alloway, Goodman, DeLeone & Duffey in Columbus, Ohio. He is a member of the following organizations: Ohio Board of Regents; Federal bar examiner, United States district court; Ohio State and Columbus Bar Associations and member of board of governors, labor law section of the Ohio State Bar Association; and the American Bar Association Committee on Development of Law Under the National Labor Relations Action. He graduated from Yale University (B.A., 1957) and Harvard Law School (J.D., 1961). He is married, has four children, and resides in Bexley, Ohio. He was born June 15, 1936.

Daniel H. Kruger would succeed Arthur Stark. He is currently professor of industrial relations and associate director in charge of the manpower program service, School of Labor and Industrial Relations at Michigan State University. He was director of the Training Center for Employment Security Personnel, supported by a grant from the Manpower Administration, U.S. Department of Labor. He was associate director in charge of the personnel management program service, School of Labor and Industrial Relations at Michigan State University in 1961–1966. He graduated from the University of Richmond (B.A., 1949) and the University of Wisconsin (M.A., 1951; Ph. D., 1954). He is married, has five children, and resides in East Lansing, Mich. He was born December 15, 1922.

Appointment of Four Members of the President's Commission for the Study of Ethical Problems in Medicine and Biomedical and Behavioral Research

July 21, 1982

The President today announced his intention to appoint the following individuals to be members of the President's Commission for the Study of Ethical Problems in Medicine and Biomedical and Behavioral Research for terms expiring July 18, 1986:

H. Thomas Ballantine, Jr., is clinical professor of surgery emeritus and senior neurosurgeon at Massachusetts General Hospital in Boston, Mass. He graduated from Princeton University (B.S., 1933), Johns Hopkins University Medical School (M.D., 1937), the University of Michigan (M.D., 1947), and received an honorary degree from Suffolk University (D.Sc., 1969). He is married, has two children, and resides in Boston. He was born August 9, 1912. He will succeed Carolyn Antonides Williams.

Bruce Kelton Jacobson is director of the family practice residency program at John Peter Smith Hospital in Ft. Worth, Tex. He is also associate professor, department of family practice and community medicine, Southwestern Medical School, in Dallas, Tex. He graduated from Texas Christian University (B.A., 1950) and Baylor College of Medicine (M.D., 1954). He is married, has seven children, and resides in Ft. Worth, Tex. He was born August 30, 1926. He will succeed Mario Garcia-Palmieri.

John J. Moran is director of the Moran Foundation, which was established in 1970 to fund research in medicine. He founded HYCEL, Inc., a diagnostic reagents and instruments business, in 1955. He graduated from the University of California at Santa Barbara (B.S., 1948) and attended the Graduate School at the University of California at Los Angeles. He is married, has two children, and resides in Houston, Tex. He was born March 13, 1920. He will succeed Anne A. Scitovsky.

Kay Toma is president of Bell Medical Center in Bell, Calif. He is a member of the following

organizations: AAFP, fellow of the Royal Society of Health of London, and the Los Angeles County Medical Association. He graduated from the University of Oklahoma and the University of Oklahoma School of Medicine (M.D., 1941). He is married, has five children, and resides in Whittier, Calif. He was born November 10, 1913. He will succeed Albert Rupert Johnson.

Appointment of David Nething as a Member of the Advisory Commission on Intergovernmental Relations
July 21, 1982

The President today announced his intention to appoint David Nething to be a member of the Advisory Commission on Intergovernmental Relations for a term of 2 years. He would succeed Fred E. Anderson.

Mr. Nething is an attorney and has been serving as State senator for North Dakota since 1966. He has served as majority leader since 1974.

He graduated from Jamestown College (B.A., 1956) and the University of North Dakota School of Law (J.D., 1963). He is married, has three children, and resides in Jamestown, N. Dak. He was born June 29, 1933.

Letter to the Speaker of the House and the Chairman of the Senate Foreign Relations Committee Reporting on the Cyprus Conflict
July 21, 1982

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with the provisions of Public Law 95–384, I am submitting the following report on progress made during the past 60 days toward reaching a negotiated settlement of the Cyprus problem.

In the course of continuing discussion of the United Nations "evaluation" of the intercommunal negotiations, the Greek Cypriot and Turkish Cypriot negotiators met on May 18, 25 and 27, June 1, 3, 24 and 29 and July 1, 6 and 8. The negotiations are now in recess with the next session scheduled for early August. Throughout recent discussions, the negotiators have carefully reviewed elements of the United Nations "evaluation" dealing with *inter alia* the possible organization of the executive structure of a federal system and the organs and powers of a federal government. The intercommunal negotiations are continuing in a serious and constructive manner.

United Nations Secretary General Perez de Cuellar met in New York on June 8 and 10 with Cypriot President Kyprianou and on June 9 with Turkish Cypriot leader Denktash. These meetings provided a further opportunity for useful discussion of the status of and developments in the intercommunal talks.

The United Nations continues to pay close attention to the Cyprus problem. In his June 1, 1982 report to the Security Council on Cyprus, a copy of which is attached, the Secretary General reviewed recent developments and emphasized that "the intercommunal talks continue to represent the best available method for pursuing a concrete and effective negotiating process." He noted that negotiations are proceeding at "a deliberate but reasonable pace" and while major substantial problems are still to be resolved, "they are being systematically reconsidered, reformulated and reduced." The Secretary General also noted the prospective need for devising solutions to unresolved constitutional and territorial issues and urged the communities to give

"earnest thought" to the requirements for an agreement. We fully endorse the efforts and observations of the Secretary General and his Special Representative on Cyprus, Ambassador Hugo Gobbi.

I also note with pleasure that on June 15, 1982, the Security Council unanimously passed a resolution extending the mandate of the UN Peace-keeping Force on Cyprus (UNFICYP) to December 15, 1982. We share with other Security Council members the judgment that the continued presence of UNFICYP adds a valuable dimension of security and stability conducive to productive intercommunal negotiations.

Sincerely,

RONALD REAGAN

Note: This is the text of identical letters addressed to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and Senator Charles H. Percy, chairman of the Senate Foreign Relations Committee.

Statement on House of Representatives Approval of Funds for Production of the MX Missile

July 21, 1982

I am most gratified by today's House vote approving funds for production of the MX missile. This strong, bipartisan action demonstrates clearly the commitment of the Congress to improving America's defenses, thereby providing important support for Ambassador [Edward L.] Rowny in his negotiations with the Soviet Union on strategic arms reductions. I look forward to working with House and Senate conferees to ensure final passage of the MX authorization.

Remarks at a Celebration Sponsored by the Caribbean Basin Initiative Coalition

July 21, 1982

I assure you I'm not going to keep you from your dinner long or your festivities long, but I am delighted to be with you this evening and to congratulate all the Caribbean Basin Coalition members. You've come up with a wonderful way for all of us to express our support for strengthening Caribbean Basin economies.

I particularly want to thank the cochairmen, Frank Borman, who was just here, and Lee Kling, David Rockefeller, and Sam Segnar, the host committee, and all the supporters from business and voluntary organizations. And a special thanks to the delegates from the Caribbean and Central America.

Last February, in this same great Hall of the Americas, I spoke of my conviction that this hemisphere was a special place with a special destiny. The Caribbean Basin Initiative was launched to help our neighbors by the sea, some two dozen countries of the Caribbean Basin, to reach their full potential. We're talking about assistance to support a modern economy, but also, trade, investment, and commercial financing to develop the magic of the marketplace, the only hope for eventual escape from dependence to self-sustained growth.

Now, this is the United States part of a larger program that was worked out in cooperation with supporting countries in the region, such as Mexico, Canada, Venezuela, and Colombia, and by the countries represented by so many of you from the nations of the Caribbean. This is not a made-in-America program; it's a made-in-Americas

program, as I told some of you this morning.

Our countries are neighbors, linked geographically, politically, economically, culturally, and strategically. We have our differences, as neighbors always do, but we can deal directly with and manage these differences because we're neighbors.

Our friends in the Caribbean now face grave economic problems and the political instability and sometimes subversion which inevitably feed on those problems. There is no quick solution. Recovery in the United States and world economies will help, but we must also think about and build for the longer term. That's why the countries of this region have pulled together to initiate this program.

With the Caribbean Basin Initiative we can open a window onto a different time, a different future—a future in which the creative energies of free individuals lead to prosperity and the freedom to choose their own destiny.

The CBI legislation is now before the Congress. I consider passage of that program a top priority. We need a farsighted act by our people now, a time of great economic trial for us as well, so we can prevent even greater expenditures of energy, time, and treasure in the future.

Our neighbors deserve our cooperation. We share a commitment to freedom and independence. The idea of democracy is strong there. Over two-thirds of the countries in the area are democracies. In Central America democracy has made great strides and inspired enthusiasm, as was clear in the massive vote in El Salvador.

Since I submitted the CBI program to the Congress in April, I've met with a number of leaders from the region—most recently, President Suazo of Honduras, President-elect Jorge Blanco of the Dominican Republic—and I know that the economic crisis in the area has worsened. We must act now, and I want you to know that I'm personally leading the effort to assure passage of this vitally needed legislation before the summer recess.

I welcome all the support that all of you can give us, and I, again, say thank you very much for being here and for your interest. God bless you, and have a wonderful evening.

Note: The President spoke at 7:40 p.m. at the Organization of American States Building.

Earlier in the day, the President met at the White House with chief executive officers of several corporations and associations which support the Caribbean Basin Initiative. He also met with representatives of 24 governments involved in the initiative.

Executive Order 12373—Establishment of Emergency Board No. 195 To Investigate a Railroad Labor Dispute

July 21, 1982

Establishing an Emergency Board To Investigate a Dispute Between the United Transportation Union and Certain Railroads Represented by the National Carriers' Conference Committee of the National Railway Labor Conference

A dispute exists between the United Transportation Union and certain railroads represented by the National Carriers' Conference Committee of the National Railway Labor Conference designated on the list attached hereto and made a part hereof.

This dispute has not heretofore been adjusted under the provisions of the Railway Labor Act, as amended; and

This dispute, in the judgment of the National Mediation Board, threatens substantially to interrupt interstate commerce to a degree such as to deprive a section of the country of essential transportation service:

Now, Therefore, by the authority vested in me by Section 10 of the Railway Labor Act, as amended (45 U.S.C. § 160), it is hereby ordered as follows:

1-101. Establishment of Board. There is established, effective immediately, a board of three members to be appointed by the President to investigate this dispute. No member of the board shall be pecuniarily or otherwise interested in any organization of railroad employees or any carrier.

1-102. Report. The board shall report its finding to the President with respect to the dispute within 30 days from the date of its establishment.

1-103. Maintaining Conditions. As provided by Section 10 of the Railway Labor Act, as amended, from the date of the creation of the Emergency Board and for 30 days after the board has made its report to the President, no change, except by agreement, shall be made by the carriers or by their employees, in the conditions out of which the dispute arose.

RONALD REAGAN

The White House,
July 21, 1982.

[*Filed with the Office of the Federal Register, 10:48 a.m., July 22, 1982*]

Note: The list of railroads attached to Executive Order 12373 is printed in the Federal Register *of July 23, 1982.*

The text of the Executive order was released by the Office of the Press Secretary on July 22.

Announcement of the Establishment of Emergency Board No. 195 To Investigate a Railroad Labor Dispute

July 22, 1982

The President announced today that he has established, effective July 21, 1982, Presidential Emergency Board No. 195, to investigate and make recommendations for settlement of a current dispute between the United Transportation Union (UTU) and most of the Nation's major railroads represented by the National Railway Labor Conference (NRLC).

The President, by Executive order, is establishing the Emergency Board on the recommendation of the National Mediation Board. The UTU has identified nine of the largest railroads in the United States as strike targets. In response to this action, the carriers countered that operations would cease on nonstruck railroads. A nationwide railroad strike was therefore impending for July 30, 1982.

A strike by the UTU threatens substantially to interrupt interstate commerce to a degree such as to deprive a section of the country of essential transportation service. Carriers represented by NRLC operate approximately 90 percent of total U.S. railroad trackage and serve all of the contiguous States except Rhode Island. Last year, railroads carried 38 percent of all intercity freight, and their share of this market has increased in recent years. A strike would have a severe impact on movement of Department of Defense material, coal, winter wheat, and intercity rail passengers, among other things.

Consequently, the President invoked the emergency board procedures of the Railway Labor Act, which in part provide that the Board will report its findings and recommendations for settlement to the President within 30 days from the date of its creation. The parties must then consider the recommendations of the Emergency Board and endeavor to resolve their differences without engaging in self-help during a subsequent 30-day period.

Appointment of the Membership of Emergency Board No. 195 To Investigate a Railroad Labor Dispute

July 22, 1982

The President has appointed the following individuals to be members of Presidential Emergency Board No. 195 to investigate a dispute between the United Transportation Union and certain railroads represented by the National Carriers' Conference Committee of the National Railway Labor Conference.

Arnold R. Weber, who will serve as Chairman. He is currently serving as president of the University of Colorado. He resides in Boulder, Colo.

Daniel Quinn Mills is serving as professor of business administration at Harvard Graduate School of Business Administration. He resides in Winchester, Mass.

Jacob Seidenberg is an attorney specializing in industrial relations. He resides in Falls Church, Va.

Remarks on Signing the Small Business Innovation Development Act of 1982

July 22, 1982

I think before I say anything, some thanks are in order. First, I would like to congratulate the Members of the Congress whose hard work has resulted in passage of the Small Business Innovation Development Act, and, particularly, Senators Weicker and Rudman and Congressmen Mitchell and McDade for their work. And, of course, the small business community itself should be complimented for a job well done.

As you know, last March I submitted to the Congress the first annual report on the state of small business. In that report, I reiterated my support for the bill that's about to be made law. Now, you just think about that. There's a government report whose recommendations are actually being followed. [*Laughter*] So, I'm very happy to put my John Hancock on this legislation today. I might even sign my own name. [*Laughter*]

Our Nation is blessed with two important qualities that are often missing in other societies: our spirit of entrepreneurship and our capacity for invention and innovation. These two elements are combined in the small businesses that dot our land. And, as we meet here today, there's some fellow or gal in a research park or a garage inventing something that will make our future healthy or more productive or more comfortable. I believe the bill recognizes the contributions of small high-technology firms to the Nation's growth, productivity, and competitiveness.

The innovation and productivity of small businesses are well-documented and known to all of us. I need not report the overwhelming statistics. So many of the statistics I see in this job are less than upbeat, but I'm always encouraged when I read what small businesses are doing for America.

Small business is a tonic for what ails this country. By passing and signing this act, we're showing our resolve to unleash this most innovative sector. The Small Business Innovation Development Act recognizes that we in government must work in partnership with small business to ensure that technologies and processes are readily transferred to commercial applications.

Now we face the difficult task of implementing this program in several agencies of the Government. Let me assure you of this administration's strong commitment to this program. We will direct the rest of the Government to cooperate fully in speedily putting it into effect.

And now I'd better get to the business of signing that legislation and making it law.

[*At this point, the President began signing the bill.*]

You still don't have pens that'll write more than one word. [*Laughter*]

It is law.

Note: The President spoke at 1:30 p.m. at the signing ceremony in the Rose Garden at the White House.

As enacted, S. 881 is Public Law 97-219, approved July 22.

Remarks at the Mathews-Dickey Boys' Club in St. Louis, Missouri *July 22, 1982*

The President. Mr. Mathews, Mr. Ballantine, I want you to know it's a real pleasure for me to be here with you this afternoon.

This is a beautiful facility. You and your community should be very proud of it. With the inspiration and dedication of Martin Mathews, Hubert Dickey Ballantine, and others who devoted so much time and energy, you and your neighbors, local government, and businesses have moved this club from the shade of a convenient tree to a storefront and now to this multipurpose and multimillion-dollar, magnificent building. My hat is off to you. And as your project has grown, corporations based here and around the country, companies like Monsanto, Anheuser-Busch, and Emerson Electric have joined your effort.

Enrollment has grown from, I understand, 30 to more than 2,000 boys and girls and has served more than 30,000 St. Louis young people. Many of you, I know, participate in the Earn and Learn program and teach yourselves the meaning of leadership and responsibility, often earning your own club dues. This club is an exciting example of the private sector cooperation that I believe can renew the quality of life across America.

Bill Verity used to be a businessman, who's Chairman of what we call our Private Sector Initiatives Task Force, and he's leading an effort that we've started in Washington to encourage the private, public, and nonprivate sectors to work together in all our communities. I believe the idea's catching on.

Here, because of Mayor Schoemehl's leadership, the private sector will pick up the cost of Operation Bright Side that's a program to clean up the city while providing summer jobs for youth. I understand some Mathews-Dickey alumni are involved in that. The Ralston Purina Company, which sponsors eight youth jobs here at Mathews-Dickey, is also working with other nonprofit groups around the country in one of the Nation's most successful summer jobs for youth programs.

And today I received a telegram reporting similar achievements, believe it or not, in the Big Apple—New York City. William Spencer of Citicorp wires that this year's New York City Partnership program, they call it there—summer jobs for youth campaign—has been able to generate 18,000 jobs for economically disadvantaged young people in that city. And already more than 12,000 have been placed in those jobs, and they're still proceeding to fill the other 6,000 jobs.

Your experience, that in New York, and other examples around the country, make it clear that we don't have to turn to the Federal Government to fill every need. Don't misunderstand—government has a legitimate role in aiding citizens, people particularly who can turn nowhere else for support. Business, volunteer organizations, and our churches can't take over all of America's responsibilities. But our economy nearly foundered on the rocky misconception that government bore those responsibilities alone. And too many of us—not these gentlemen here—began saying, "Well, let government do it instead of doing the things that we used to do for each other."

All Americans share in these responsibilities, and we call on every resource, every strength, every bit of individual imagination to fulfill our obligations together.

I applaud the people of this city for making this tremendous success story possible. I wish all America could stand where I am now, looking out at all of you, you young people with your hopes, your dreams—because of the cooperation of the people in this city, giving you a chance for a real and a bright and a prosperous future. I wish America, all of it, could see these positive, practical results of neighbor helping neighbor. And if they could, every American would be as convinced as I am that the people of this country are a good and giving people, capable of accomplishing great deeds.

As a matter of fact, I think I'll leave a note for future Presidents suggesting what to do when they need a little inspiration: Go to St. Louis. There's a spirit here that has caught our national imagination more than once. Countless tales of courage and generosity are told about this gateway to the West. My favorite happens to be about a young fellow, however, who was going the other way—Charles Lindbergh. That's a little before your time. But he was a brave young aviator.

We called him Lucky Lindy. You can understand why, of course, when you stop to think that he flew a small, single-engine propeller plane—no jets in those days—the first time anyone had ever flown such a thing across the Atlantic Ocean. He made history. And he talked all the time as if his plane were his best friend. He called it the *Spirit of St. Louis.*

Well, as I look out here today, I understand the confidence that name and that spirit gave him. Yours is a thoroughly American city, and your can-do attitude, a deeply American spirit. From now on, I think I'll keep the spirit of St. Louis as my companion also.

You club members are also learning team spirit—working individually and together for excellence. I'm sure that out of 65 baseball teams, there must be a few of you who dream of playing in the major leagues some day—is that right? [*Applause*] You bet. And I understand that some of your alumni have made that also and are doing that.

I must admit, I was never a baseball player. My game was football. But I used to broadcast major league baseball—I was just talking to some of the Cardinals who were here today and talking about it—did it here in the Midwest, the home games of the Chicago Cubs and the White Sox. I have a lot of memories. The St. Louis Cardinals in those days were called the "Gas House Gang"—Ducky Medwick and Leo Durocher and Dizzy Dean. I remember back when Bob Feller was just out of high school and starting with the Cleveland Indians—Al Lyons. And a great Cub team with Gabby Hartnett and Billy Jurges and Billy Herman and so many others. And those names were all, I think before many of you were born.

But I had the privilege of broadcasting the Chicago Cubs one season when the only mathematical chance they had toward the end of the season to win the pennant was to win the last 21 games of the season. Couldn't drop a one. And they did it. It still stands in the record book as a baseball record. And I don't know why I brought that up, because they had to beat out the Cardinals to do it. [*Laughter*] Kind of tactless of me.

But in one of those games with the Cards—I can't resist telling you a little story, a little reminiscence here. Billy Jurges of the Cubs was up at the plate. And I was broadcasting the game by telegraphic report. That meant I had a fellow sitting on the other side of a window with a telegraph key and headphones on, and he got it dot-and-dash, Morse code, from the ballpark. And I took the slip of paper, and I announced the play. And I'd see him start typing, and I'd start in with, "The pitcher's out of the windup. Here comes the pitch," and fake this. And it'd say, "S-1-C." And I'd say, "And that's a called strike breaking over the outside corner into a batter that liked . . ." and so forth and so on.

Well, this particular day, it was the Cubs and the Cards tied up, nothing and nothing in the ninth inning. Billy Jurges at bat. Dizzy Dean out on the mound. I saw Curley start typing. So, I figured the next play is coming, and so I had old Diz come out of his windup—and Curley shaking his head "no," and I didn't know what he meant. But he handed me the paper, and the paper says, "The wire's gone dead." [*Laughter*] Well, I had a ball on the way to

the plate. [*Laughter*] And I knew there was one thing you could say that never gets in the score book. So, I had Billy foul one off. [*Laughter*]

And then I thought, ninth inning and there's a half a dozen other announcers they can turn to to get the rest of this game if I tell them we'll play a little music while we fix the wire. So I didn't. I figured I'll have him foul another one off. And then he fouled one that missed a home run by a foot. And then he fouled one back to third base, and I described the kids that had a fight over the baseball. And he kept on fouling them until I was beginning to set a world record for a batter hitting successive fouls. [*Laughter*]

And finally, after about 12 minutes at the plate, I saw Curley start typing again, and he was nodding, "yes." So, I started another ball on the way to the plate, and when he handed it to me, I started laughing. I could hardly say it. The message said, "Billy popped out on the first ball pitched." [*Laughter*]

I don't suppose being in the business I'm in now I should ever tell you that I faked something out that way. [*Laughter*] But I've been a real ball fan ever since. So, it was a great treat when I was able to meet one of the recent additions to the Baseball Hall of Fame at the White House last year. One of the athletes who was there was once an ace pitcher for the Cardinals. You've probably heard of him. His name is Bob Gibson.

Well, during the '68 major league season, he held the batters who faced him to the lowest earned run average in modern baseball history. After the season, he opened the world series against the Detroit Tigers with 17 strike-outs in the game and a shut-out. And he pitched them to two victories in the world series. But he's another St. Louis success story.

His father was a millworker who died before he was born. His mother worked in a laundry to support her seven children. As a young boy, his brother encouraged him to take up baseball, and as a man he made his boyhood dreams come true. Now, they say that if you ask him, he'll attribute his success to a keen competitive drive and a motivation of financial reward. Well, that's all right. But those who know him attribute his success to the fact that he put his heart into his work. You know, he was working toward a dream and making it come true.

Once when Franklin Delano Roosevelt was President, speaking to a group of young people as I am now, he too spoke about dreams. He said one of the reasons the world gets better so slowly is that too many young people lose their dreams as they get older. In growing up, he said, they throw away their enthusiasms and grow away from their ideals. And he said, "You ought to thank God . . . if, regardless of your years, you are young enough in spirit to dream dreams and see visions . . . ." Hold fast to your dreams, he said, America needs them.

Now, the young people that he spoke to then have grandchildren now that are your age, and still we haven't achieved all our vision of what an America can be—an America without poverty, without unemployment, free of class struggles, and in a world at peace. We've done a lot. I think we've accomplished much. But we have a lot yet to do.

And I think that the Mathews-Dickey Boys' Club is full of youthful dreams. And if you can hold on to the ideals of your youth, neighbor keeps helping neighbor not only here but around the country, then together we'll renew the spirit that made this country great and makes our dreams come true.

One of the great pleasures of being President is the ability to honor individual Americans whose spirit and sacrifice have bettered the lives of their fellow citizens. I believe this may be a surprise, but it's my privilege today to present individual awards to two outstanding citizens that you all know very well.

It is with great respect and admiration that I award Martin Mathews and Hubert Dickey Ballantine the Presidential Citizens Medals for outstanding service that they have given to this community, to St. Louis, and to the United States of America. And it reads—[*applause*]—may I—let me just read the citation. They are—I will read one. They are both the same except for the names on them being different.

"The President of the United States of America awards the Presidential Citizens

Medal to Martin Mathews"—and the other certificate will read "to Mr. Dickey Ballantine." "The good works of Martin Mathews flow as deeply through the city of St. Louis as the Mississippi River itself. His inspiring contribution to bettering the lives of inner-city youth is a shining example of the power of good."

Mr. Mathews. I would like to take this time to say welçome, Mr. President, to St. Louis, Missouri, and let's give him a St. Louis welcome.

Mr. Ballantine. Today really is a great day. It's one of the biggest days in my life, and I sure have enjoyed it very much. I enjoyed the personal contact with the President of the United States. And I say God bless America, and God bless him in his work.

The President. I thank you all for being here today.

Carlos Belton. Mr. President, on behalf of the Mathews-Dickey Boys' Club, we would like to present these gifts to you. And I hope that you enjoy your stay.

The President. I just want you to know, I've just given up football. I'm a ballplayer now. Thank you all very much.

Note: The President spoke at 4:15 p.m. in the boys' club gymnasium. He received a Mathews-Dickey T-shirt and baseball cap from the captain of the boys' club team.

Earlier, the President had lunch with the board of directors of the boys' club.

Following his appearance at the boys' club, the President attended a fundraising reception for Eureka College at the home of Roy Pfautch. He then went to the Marriott Pavilion Hotel.

Interview With Julius Hunter of KMOX–TV in St. Louis, Missouri
July 22, 1982

Mr. Hunter. Mr. President, welcome to St. Louis.

The President. Thank you. It's good to be here.

Mr. Hunter. And thank you for allowing us this opportunity to talk.

Tell me about your time out at the boys' club. I understand you had a great time.

The President. Well, yes, I did. And it was a most inspiring thing. From the history of that place, those two men that had a dream and literally, as they've said, took it out from under a shade tree and into a store front and now into that magnificent building. And all those thousands of young people who were there, 65 baseball teams, it just shows what someone with a dream and with determination to make it come true can do.

Assassination Attempt

Mr. Hunter. On another subject, you were noticeably silent following the Hinckley verdict. Yet, for someone who was so personally invovled in that shooting incident, you must have had some feelings about what that jury's verdict, what effect it will have on your safety and security and on the safety and security of future Presidents. Would you share those feelings with us?

The President. Well, I'd rather not comment. I haven't commented on that particular verdict. I would, however, touch on the subject that has been brought up by that, because that goes back before this trial, this whole question of insanity as a defense. And the Attorney General has recommended and the Justice Department is studying the idea of making insanity—in other words, it's guilty or innocent, but then insanity introduced at the time of sentencing as a mitigating factor.

I think that justice is not done under the present system. And I know this has been studied by the American Bar Association, many legal groups, for a long time. And they have come to the decision that the technical experts in front of a jury on both sides, giving conflicting opinions with regard to this, it doesn't really belong in the trial.

Mr. Hunter. Does it mean to you that a

President is open game for anyone who can prove that he or she is insane?

The President. Well, you don't have to limit it to a President. This defense is being used more and more in murder trials. And we've seen, I think, something long before this trial that led to the study of this question, with the incidence of people found innocent by reason of insanity put in a mental hospital and turned loose, you might say, virtually by the members of the same profession that had gone into court and proved they were insane, then a few months later telling them they were cured. And we've had the double tragedy of they go right out in the street and commit the same crime over again.

Special Interest and Minority Groups

Mr. Hunter. If the polls are to be believed, you are not a popular President among such groups as environmentalists, the poor, the black, educators, organized labor. What are your feelings on a President's responsibility to try to meet the needs and demands of groups which feel they are alienated from the White House?

The President. Well, I think the biggest problem is one of communications. And maybe the media has something to do with that, because I think if representatives of those groups that you've just mentioned and others who are listed in the polls as not favoring me—if they understood my views and understood what it is we're actually trying to do.

Environmentalists, for example. I'd never heard the word, but as Governor of California, one of the first things I did was correct a problem, and before I left as Governor, the environmental movement was underway nationwide—and from the Federal level under an administration that was not necessarily supportive of me. People came to California and said that we were out ahead of the Nation. We took the Federal Government to court in order to have automobile standards in the State of California with regard to the smog problem.

Mr. Hunter. So, are you saying that you are perhaps misunderstood by some of these groups that feel alienated?

The President. Yes, you mentioned—what were some of the other groups?

Mr. Hunter. The poor, blacks——

The President. All right, well——

Mr. Hunter. ——organized labor.

The President. Blacks—just having been to that wonderful boys' club this afternoon, let me touch on that one—and misunderstanding.

I was raised in a household in which there was no tolerance whatsoever for prejudice or bigotry. And I grew up that way. And as a sports announcer in radio broadcasting major league baseball, how many young people today remember that when I was broadcasting baseball, no blacks were allowed in organized baseball. There were no Willie Mayses for me to talk about or Hank Aarons—anyone of that kind. And there were a number of us in the sports field then who editorialized and used the pulpit that had been given to us by virtue our job, to campaign against that. And finally, the dam was broken. And baseball is better for it and the Nation is better for it.

But then when I became Governor—I was the 33d Governor of Califorina—I found out that the civil service tests were rigged to prevent blacks from getting any but the lowest possible jobs in State government. I changed that. More than that, up and above civil service, I appointed to policymaking and executive positions more blacks than all the previous 32 Governors of California before me put together. Now, we're doing the same thing at the Federal level. And I could go on from there.

But let me also point that when you say the poor, I know that there's been a misconstruing of many of the things that we're trying to do in getting control of this uncontrollable budget—the spending that has brought the country into this recession and caused the trillion-dollar debt.

Much of the misinformation about what we're trying to do comes from the bureaucracies who feel threatened because they have a nice living administering those programs. But as to the people, let's take one—you mentioned educators—the educators and the charge that we are somehow taking away the possibility of help for needy students to go to college. What we're really doing—we found that much of the aid, the low-interest loans and the grants, were

going to students whose families had incomes that suggested the families could do more to help send their children to college. We have redirected this help down to a financial level that makes sure that those people who are close to the poverty line can have the help they need for their sons and daughters to go to college.

And probably the greatest thing that we've done for the poor is the reduction in the rate of inflation which was roughly 12½ percent when we started—for 2 years, double-digit inflation. We have more than cut that in half. We've reduced that way down to where for the last few months it's probably only a fourth of that amount.

The Nation's Economy

Mr. Hunter. What are your predictions about where the inflation rate will be and where the economy will be 3 months from now, 6 months from now?

The President. Well, I think there is an improvement. I think we've bottomed out. But let me tell you what that inflation rate already has done for those who are poor, who have to spend every penny for the necessities of life, and therefore as the prices go up, they can buy less and less of the necessities. Families at the poverty level today, with the cuts that we've already made in the inflation rate, have several hundred dollars more in purchasing power than they had a year ago under the previous high inflation rate.

Mr. Hunter. Now what are your projections?

The President. My projections are that the signs are kind of mixed when you bottom out in a recession. But in these last few days, the Federal Reserve, cutting the discount rate for the banks—the prime rate being set by the banks at a lower rate. The interest rate was 21½ percent when I started a year and a half ago. For the first time in several months we are showing an increase, small though it may be, in the gross national product.

Now, I'm not going to jump up and down and say that, well, you know, there's going to be a boom just around the corner. It won't get cured that way. The previous seven recessions have seen the government using what I call a quick fix—artificially stimulating the economy, pouring printing-press money into the marketplace. And, yes, temporarily there is an easing of the situation. But look back at those recessions, and you'll find that about 2 to 3 years later, we would have another recession, deeper and worse than the one before. This one is the deepest and the worst of those since World War II.

Now, what we're embarked on is a plan to restore the economy, to restore industry—not a quick fix—to get back to where we're on an even keel without government deficit spending, without the government having to go into the market and use up the capital that belong to the people. We have given the tax cuts to the people with the third installment yet to come next year to provide incentive for them. And for the first time, again, in a long period of time, real earnings—not inflation earnings of phony dollars—real earnings are increasing at a rate of 4 percent. That's the highest it's been in years.

Soviet Gas Pipeline

Mr. Hunter. On the international scene, were you surprised this morning when France announced that it was going to go ahead and give U.S.-developed technology to the Russians for the development of that Russian pipeline? And have you and your foreign policy advisers determined some sort of way to dissuade France from taking that action?

The President. Well, what really they are doing is going forward with contracts that were already signed. I have talked with President Mitterrand about his situation. He said when he came there he found the contracts already agreed to and signed by the previous administration, and they feel legally bound by those.

What I have asked our Commerce Department to do is do a study and come back to me with a report on what our situation is, because where it involves us—with our sanctions that we've imposed against the Soviet Union—where it involves us is what is our legal position with regard to subsidiary companies in France and in the other European countries owned by American firms, and whether they are legally bound,

possibly, by contracts that were made before.

Mr. Hunter. What are your options that are available to dissuade France?

The President. Well, we tried our best in the meetings over there. I think they knew what we were going to do, because we'd announced what we were going to do way last December. They, as I say, had gone forward with the contracts. We have been investigating, with some of the European countries, the possibilities of energy sources closer, and that would not have the two problems which we are very concerned about with our European allies—number one, making themselves dependent on the Soviet Union, and putting themselves in a position to be blackmailed by the Soviet Union if they decide to shut off the gas. There are sources in the North Sea, in Norway, in the Netherlands. We would be happy to help them with the development of those.

The other one is, they would be cash customers. The Soviet Union has poured so much money into its great military might that we're now trying to get reduced that they're up against the wall. They don't have cash for those purposes the way they did. This would give them 10 or 12 billion dollars a year in cold, hard cash for doing this. And these are the things that we tried to point out.

Our allies, on the other hand, pointed out to us that they had already gone forward to the point that they did not feel they could retreat from that—although they did join us in shutting off or reducing credit, so that we, at least, aren't helping finance a potential adversary.

1984 Presidential Campaign

Mr. Hunter. One final question, Mr. President. Washington is buzzing with some stories that your top aides are telling your Cabinet members not to look for any jobs soon, because Ronald Reagan has decided to run again for reelection. Have you decided that you want a second term?

The President. No. No, and that isn't a decision that should be made now. But what had happened was I suddenly found out that some people were spreading the word around that I had decided I wouldn't. And I just thought that since that's a decision yet to be made—and I think the people help you make that decision as the time goes on—that for the purposes of my own staff and my own Cabinet and all, they'd better know that no decision had been made. And so, I used the phrase, in telling them that, that—or publicly I told them to stop reading the "Help Wanted" ads.

Mr. Hunter. So the door is still open?

The President. Yes.

Mr. Hunter. Thank you very much, Mr. President.

The President. Well, thank you. I appreciate the opportunity.

Note: The interview began at 5:32 p.m. in the President's suite at the Marriott Pavilion Hotel.

Remarks at a United States Olympic Committee Dinner Honoring August A. Busch III in St. Louis, Missouri

July 22, 1982

Bill, thank you very much. Reverend clergy, Governor Bond, Mr. Toastmaster, the distinguished gentlemen here at the head table, and you ladies and gentlemen:

I was going to bring good Senator John Danforth out here. But there was a tax bill on the floor of the Senate, and he figured that you'd want him there voting. And I can assure you I wanted him there voting. [*Laughter*] But we did have the pleasure of his daughter accompanying us out here.

And, Mike, earlier tonight you said that if you hadn't won you wouldn't be here, and others wouldn't have been here. And then

you suggested I might not have been here.[1] [*Laughter*] I have to tell you the possibility is that I would've, because in the business that I used to be in, if you didn't sing or dance, you wound up as an after-dinner speaker. [*Laughter*] But I'm delighted to be here tonight.

I've felt for a long time that the work of the Olympic Committee isn't good work; it's great work, because the dedication and the selflessness of the people of the Committee and through the generosity of people like yourselves—we keep America participating in a tradition that goes back thousands of years. Yes, the Olympic Games are athletic games and contests. They give us an opportunity every 4 years to see our young men and women giving their best to their country. But let us also remember that there is a longer and a deeper meaning behind the Olympic torch.

Those games started in ancient Greece as a means of bringing peace and trying to end the wars that went on constantly between the city-states of Greece. And the tradition, the Olympics, became so pronounced even then in its first beginning that if wars were going on when Olympic time came, the wars were called off while they performed and joined together in the games.

Now, you know, lately I found myself eyeing another tradition from ancient Greece. History has it that there was a city-state there in which they had a custom that if anyone wanted to suggest a government program, he did so standing on a chair with a noose around his neck. And if the people liked the idea, they took the noose off—[*laughter*]—and if they didn't, they took the chair away. And I've been giving that a lot of thought lately. [*Laughter*]

Seriously, we have known such moments of pride in this great 4-year event—the individuals going back to the great Jim Thorpe, and then there was Jesse Owens repudiating the arrogance of the Nazi cult and Hitlerism. And just a few years back—and you'd be surprised what glowing words I was going to have here about a hockey team until by this time—it has all been said. [*Laughter*]

No, but it was up in a small, upstate New York town, a bunch of down-the-block American kids did the impossible and did electrify our nation. One thing that hasn't been told here about that victory over the Russian hockey team—sensational victory that it was—that before that game in the locker room these down-the-block kids who weren't supposed to have a chance against that great team—their coach told them that they had been born for that moment. They were there because they had been born to be there for that event. And of course when they left that ring chanting, "U.S.A.! U.S.A.!" I think the whole Nation was chanting it with them.

It was an unforgettably proud moment, and they've shown what I like to think is the best of the American spirit. They also represented what amateur sports and the Olympics are all about: to foster a noble and inspiring patriotism, yes, but also the healthiest possible kind of international relationship, free for a time of animus and hatred, in keeping with the original tradition of the Olympics.

It is a cliche to say that sports are a character builder, but then, you know what a cliche is. A cliche really is something that is so obviously true that it is spoken and repeated over and over again until we call it a cliche. More than any other people, Americans are sports-minded. And maybe this is what has contributed to what we call the American personality. With all our faults, we're the most generous people in the world.

Youngsters in this country grow up influenced by heroes in the world of sports, and the legends of sports become part of American folklore. If I could just relate one.

Some of us remember back some years to those great national championship football teams of Bud Wilkinson's out in Oklahoma. And one year with one of those national

[1] *Earlier in the day, the President's son Michael had been part of a crew, sponsored by Anheuser-Busch, which broke the speedboat record on a 1,027-mile run up the Mississippi River from New Orleans, La., to St. Louis. In winning the Grace Challenge Cup, as the race was called, the crew won for the U.S. Olympic Committee a donation of $102,700.*

championship teams, they were playing Texas Christian late in the season.

TCU had had a very mediocre season, but then, as can happen in sports, on that day, meeting the national champions, they rose to the heights. And in the closing minutes of the game, a TCU end made a diving catch of a pass in the end zone for what would be the winning touchdown. And with the stadium going wild, he walked over to the referee, handed him the ball and said, "No, sir. It touched the ground before I caught it."

Now, we're all grown up, so possibly our first reaction was, "Well, that was the wrong thing to do; he should've kept his mouth shut. He could've gotten away with it." [*Laughter*] But was he wrong?

Suppose he grew up to represent you in Congress or possibly in the statehouse—maybe even in the house I'm living in now. Or he could have become a Supreme Court Judge. What then? Would we say then he should've kept his mouth shut in the interest of political advantage or expediency? Or do you want to hear from him always the truth?

Well, he became a high school coach. And I think the parents of the young men who learned football and other things from him must feel that they were very fortunate.

Now, I know there are those who decry the emphasis placed on sports. They say, "Kid games, athletics." Maybe sometimes we wonder about all of the great time and effort that's put into these athletic spectacles.

Well, since I started telling stories, would you mind if I told another one? This one has to do with football, also. You see, I didn't play hockey. [*Laughter*] It's also a little personal. I played football in the line. I was a guard—right guard. [*Laughter*]

But I remember—and have remembered 50 years now—my senior year, and we were playing a team. And there was a center—and I played beside the center, being a guard on our team—and this center took off on our center in the most vicious manner, fouling, every dirty thing he could get away with—but also his language. And the things that he was saying. And what he was saying made it plain that his whole motive was nothing more than the difference in the color of his skin and that of our center, Burkie.

And in the huddles, I looked across once, and Burkie's lip was bleeding. He had a bad knee, and this fellow had discovered it. His lip was bleeding from biting it, trying to keep down any sounds of pain. The rest of us wanted to do something about this opponent of his, but over and over again in the huddle, Burkie said, "This is my fight." And he just played football. Nothing dirty and no fouling. He just played football until he had played this man opposite him off his feet. And late—just a few minutes to go in the fourth quarter—they sent in a substitute, and this fellow started off the field. And he was wobbling, and he got about halfway to the sideline, and he turned around. He came back, and he elbowed his way through the two teams standing there waiting for play to begin again, stepped up to Burkie and—the tears were coming out of his eyes—and he stuck out his hand and, crying, said, "I just want you to know, you're the greatest guy I've every met," and turned and left the field.

I think the young man learned something very important that Saturday afternoon. Now, maybe he might have learned it some other way sometime in life. But then maybe he might not. He might have gone through life soured and embittered, unreasoning, by unreasoning prejudice and hatred. But I think all of us learned something in that game that day.

Well, that's why the work of the Olympic Committee is so vital. Wrapped up in all the difficult nuts-and-bolts work that goes with an event like these great games is the importance, the overriding importance of the contestants themselves, the young men and women learning the importance of honest striving, fair play, love of country, and, yes, love of their fellow man.

Now, the members of the committee need to know that all of us in this country are behind them. They need our support now during this time when the all important training and recruiting of athletes is going on. I can tell you, they've got a friend in Washington. And I'm going to do everything I can to be of help.

Now, well, that doesn't mean, Bill, that I'll volunteer to run the 400-meters. [*Laughter*] Not any more.

We have with us tonight a very special guest and honoree. But before we get to him, I hope you'll forgive me if I indulge in a little paternal pride. Mike, my son, you know, broke the record in that boat run, New Orleans to St. Louis. And, Mike, I'm proud of you. But not just proud of what you did, but proud because you did it for the cause that brings us together here tonight. I know it wasn't just a boat ride. I don't know how you're still awake, but a lot of effort went into that boat ride, and it was for a great effort, the effort of the Olympic Committee. Whether you'd gotten a record or not, I think all of us here hope that other Americans will emulate you and give of themselves in behalf of our country and our Olympic team.

But now, the guest of honor. Ladies and gentlemen, I'm going to be privileged to assist in presenting an award to this distinguished guest.

A few years ago, the New York Times wrote of the business success of August Busch III. And among the accolades, they described his grasp of detail, his voracious appetite for work, and his ability to attract and keep talented executives. August, you wouldn't like to spare a few minutes and give me some suggestions as to how I could get that—[*laughter*]. I'd like to get that kind of coverage in the New York Times. I've been reading it more and enjoying it less lately. [*Laughter*]

But enough fooling around. Your accomplishments, as the head of one of America's most important countries [companies] is impressive. But tonight we're here to thank you for your generosity, your hard work on behalf of American sports, and especially on behalf of the U.S. Olympic Committee.

You have arranged to give the Committee more than a million dollars of seed money for the training and recruiting of our young athletes precisely at this moment when it is needed. At the same time Anheuser-Busch is guaranteeing a $10 million contribution for the '84 games in Los Angeles. You've been the guiding force behind this cause. And it is this personal effort on your part—your interest in the Olympic sports and a willingness to give of yourself, even with all the demands on your time—for which all of us are particularly grateful. And we hope that other Americans will be inspired by your example.

Because of your effort, I am privileged here to participate with something that is being done on behalf of the U.S. Olympic Committee. And I am going to ask Bill Simon to come up here with me as we will present to August Busch III the Sportsman of the Year Award.

Note: The President spoke at 10 p.m. in the Pavilion Ballroom at the Marriott Pavilion Hotel. He was introduced by William Simon, president of the U.S. Olympic Committee.

Earlier, the President attended a reception for the Olympic Committee in the Hawthorne Ballroom at the hotel.

Question-and-Answer Session With Reporters on Domestic and Foreign Policy Issues

July 23, 1982

Q. Here we are. How do you feel about Ed Meese's son? Ed Meese's son—that was really horrible.

The President. That has all of us very saddened. They're a very close family, and he was a fine young man. This is just a terrible tragedy.

Q. Have you talked to Ed Meese yet?

The President. No, he's on his way back. He is in California. So, I'll see him when we get there.

Q. How about Weidenbaum? Do you have a replacement for him yet?

The President. What?

Q. For Murray Weidenbaum. Do you have a replacement for him?

The President. No, and I goofed in mentioning to——

Q. No, you didn't.

The President. What?

Q. You didn't give us the news. You didn't——

The President. Well, no. That was for him to announce that he had told me, and there's nothing unusual about it. As I said in the beginning, many people who have come with us came with the understanding that they couldn't stay full-time, and he was getting ready to return to the university. But it was for him to say. And this young man that interviewed me happens to be a graduate of the university, knows him personally, and I just casually——

Q. Did he have any policy differences with the supply side——

The President. Oh, no. Oh, no, no. I was just——

Q. With the midterm economic performances?

The President. No. No, this was just plain—it was like when Marty Anderson went back to Stanford, the Hoover Institution. There just was a limit to how long they could leave their real careers. So, we've talked about it, and I knew he was going back. But I was going to leave it to him to announce when and——

Q. How soon are you going to replace him?

The President. Well, I imagine we'll start thinking about that right away, yes. But also, we've got some time until he's going to leave.

Q. Are things better in the Middle East now? Is there any new——

The President. I don't know. I don't think there's anything I can comment on there.

Q. Mr. President, last night in talking about the pipeline, you sounded fairly conciliatory toward the French. Is it possible that you won't try to—you wouldn't go to court to fight these new sanctions?

The President. I've got to wait for that report I mentioned. I've asked the Commerce Department to give me a report on the entire situation.

Q. I gather you're trying to keep the level of rhetoric down, though? You're not——

The President. Yes, because there are plenty of people that are trying to step the level of rhetoric up. And I don't think there are any—I think that Premier [Chancellor] Schmidt called it himself publicly when he said there are no real and deep differences between us. It's still all in the family.

Q. Are you going to see Schmidt when he's here at all?

The President. No, he's out at the Bohemian Grove, and I can't go now.

Q. Do you wish you were there?

The President. That would cause too much disruption.

Q. Do you mean—you're right. The women wouldn't like it. [*Laughter*]

Q. Do you wish you were there?

The President.. Anyone who's ever experienced the Grove wishes they were there. It's a wonderful experience. It really is.

Q. We've heard a lot about it. [*Laughter*]

The President. I'm not sure that you've heard the truth. [*Laughter*] It's really very——

Q. Okay, then invite us and we'll go.

The President. What?

Q. Invite us and we'll go. Full coverage.

The President. It's really a very—consider it a real nice wholesome gathering, and everybody has a lot of fun.

Q. Are you disappointed with the midterm economic report that's coming out?

The President. Well, we're still having meetings and talking about that.

Q. Will we get that on Monday?

The President. Honestly, I don't know.

Q. Thank you.

Note: The exchange was held on board Air Force One in the morning as the President was returning to Washington, D.C., from St. Louis, Mo.

Remarks on Greeting Members of the Grand Kabuki of Japan
July 23, 1982

Well, to welcome you all here today is indeed a great pleasure for me, as one interested in the art of entertainment. We're grateful that you've come to America to introduce us to Kabuki, a 400-year-old art form little known here.

To most Americans, Japanese history before the nineteenth century is clouded in mystery and romance. Your tour should help us to understand better the flavor of those days and history of the Japanese people. We're especially honored that such a renowned troupe should be here to introduce us to Kabuki.

Prime Minister Suzuki reminded us of the vigor and the vitality represented by Japan in the United States when he visited here. We're pleased you now visit to share the vigor and vitality of Kabuki with the people of the United States.

I wish you good luck in your performances and a pleasant time while you're with us. And thank you for this privilege of peering into the soul of Japan.

Note: The President spoke at 1:45 p.m. in the State Dining Room at the White House. Present for his greeting were eight actors of the Grand Kabuki of Japan and Takeoni Nagayama, vice president of the Shochiku Theatrical Company which manages the troupe.

Letter Accepting the Resignation of Murray L. Weidenbaum as Chairman of the Council of Economic Advisers
July 23, 1982

Dear Murray:

Thank you for your letter of July 20 expressing your desire, which we had previously discussed, to return to Washington University. It is with deep regret that I honor your request and accept your resignation as Chairman of the Council of Economic Advisers effective September first.

I shall always appreciate the extraordinary contributions you have made to the formulation, advocacy, and refinement of all elements of our Economic Recovery Program. You have applied not only the tools of economics, but also prudent judgment, to the analysis of the economic challenges facing America at home and abroad.

In Cabinet Council deliberations, in consultations with the Federal Reserve, in the work of "the Troika," in public testimony, and in contexts as diverse as O.E.C.D. and the Oval Office, yours has consistently been a voice of balance.

We will all miss you—and your remarkable ability to combine clarity of insight about the "dismal science" with unfailing good humor.

As you return to your academic and private professional practice, Nancy and I wish you the very best.

With thanks for a job well done,

Sincerely,

RONALD REAGAN

[The Honorable Murray L. Weidenbaum, Chairman, Council of Economic Advisers, Washington, D.C. 20506]

July 20, 1982

Dear Mr. President:

It is with very considerable reluctance that I tender my resignation as Chairman of the Council of Economic Advisers. It has been a special privilege to serve in your Administration during this period of fundamental change in economic policy. Yet the time has come for me to return to Washington University, which is expecting me to be on campus in September.

Although the difficult adjustments are far from complete, I believe that it is becoming clear that your Economic Recovery Program is succeeding in shifting the balance of power from the Federal government to the private sector. Important progress has been made in achieving this objective on all four fronts: reducing the average citizen's tax burden, slowing down the growth of government spending, reforming the costly and burdensome regulatory apparatus, and moderating the growth of the money supply.

From the outset, we have said that yours is a long-term program, unlike the quick fixes of the past. The substantial reduction in inflation is heartening evidence of the progress that has been made. Yet the overall condition of the economy underscores both the difficulty of carrying out fundamental changes as well as the continuing need to move ahead on each of the four key aspects of economic policy in order to achieve your basic goal of restoring the economic strength of our country.

I will carry with me many fond memories of working with you and the outstanding people that you have attracted in your Administration. I leave you with the best of wishes for your continued health, happiness, and success.

Sincerely,

MURRAY L. WEIDENBAUM

[The President, The White House]

Statement on Signing the Federal Employees Flexible and Compressed Work Schedules Act of 1982

July 23, 1982

I am pleased to sign into law the Federal Employees Flexible and Compressed Work Schedules Act of 1982.

This act extends for 3 years the authority of Federal agencies to allow employees more flexibility in scheduling their workweeks. For example, where the nature of the work allows, employees may work 4 10-hour days per week, or begin their workday earlier or later than usual. The total time on the job remains the same, but the particular hours when the work is performed can vary.

For the past 3 years, the Federal Government has been experimenting with these alternative work schedules, following the lead of a number of private companies that found this kind of work scheduling beneficial. In the Government, too, most of the experiments were successful. Productivity increases were noted in some agencies, and many offices were able to stay open longer hours to serve the public.

These alternative work schedules also had a very positive effect on the morale of employees, who were able to adjust their work schedules to meet personal needs. This was particularly important to working mothers who used the flexibility in scheduling work hours to help them meet their responsibilities both at home and at the office. The overwhelming majority of Federal employees taking part in the experimental program said that it allowed them to spend more time with their families, as well as providing a better opportunity to participate in their children's school activities. It is especially rewarding to support a program that allows people to recapture some of the benefits of close family ties in an era when employment trends have been pushing us the other way.

As you would expect with an experimental program, there were some Federal agencies where alternative work schedules did not work too well—where there were problems of accountability or where the demands of the public business were not well served. The act I am signing today recognizes the danger of such problems and gives Federal managers the necessary tools to prevent such problems from developing, or to deal with them if they do. I should also note that Federal employee unions will

be fully involved in working with agency managers to see that alternative work schedules are used in ways that will meet the needs of both Federal employees and the taxpayers.

Finally, I would like to commend Senator Ted Stevens for his legislative skill and perseverance in getting all of the parties involved in this issue to join together in support of the act.

Note: As enacted, S. 2240 is Public Law 97-221, approved July 23.

Nomination of Manuel H. Johnson, Jr., To Be an Assistant Secretary of the Treasury

July 23, 1982

The President today announced his intention to nominate Manuel H. Johnson, Jr., to be an Assistant Secretary of the Treasury (Economic Policy). He would succeed Paul Craig Roberts.

He is presently serving as Acting Assistant Secretary for Economic Policy, U.S. Department of the Treasury. Previously he was Deputy Assistant Secretary for Economic Policy at the Department of the Treasury. He was associate professor of economics, department of economics, George Mason University, in 1980–1981. He served there as assistant professor of economics in 1977–1980. He was with the department of economics at Florida State University as a teaching and research assistant in 1973–1976.

He graduated from Troy State University (B.S., 1973) and Florida State University (M.S., 1974; Ph. D., 1977). He is married, has two children, and resides in Fairfax, Va. He was born February 10, 1949.

Letter to the Speaker and Members of the House of Representatives on Strategic Arms Reduction

July 23, 1982

Dear Mr. Speaker:

Less than a month ago, we embarked on a major effort with the Soviet Union to negotiate a reduction in the strategic arsenals of both sides and thus to reduce the risk of nuclear war. I view this initiative as one of the most important and challenging of my Presidency, and I am determined that the United States will do everything in its power to achieve an effective, equitable, and verifiable agreement. The American people will not be satisfied with anything less.

As we engage in the sensitive and complex START negotiations with the Soviet Union, we need to demonstrate that the American people and Congress are behind the proposals carried by Ambassador Rowny to Geneva. The bipartisan resolution recently introduced by Congressmen Broomfield, Carney, and Stratton will make clear to the Soviets that the American people are united in seeking substantial reductions to equal and verifiable levels in the arsenals of both sides, and reducing the risk of war by accident or miscalculation. I strongly support the resolution.

We must not allow this opportunity to reach an agreement on substantial nuclear force reductions to be lost. I am concerned that the resolution reported earlier by the House Foreign Affairs Committee will signal to the Soviet Union that we are will-

ing to accept something less than these reductions; that is, a freeze that leaves dangerous asymmetries in the nuclear balance and a return to the flawed SALT II agreement. Both these provisions would seriously undercut our negotiating position and reduce the chances for achievement of our START objectives.

With your support, we can achieve the goals we have set and enhance the prospects for peace and stability. I urge you and your colleagues to support the substitute resolution sponsored by Congressmen Broomfield, Carney, and Stratton.

Sincerely,

RONALD REAGAN

Note: This is the text of identical letters addressed to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and all Members of the House.

The text of the letter was released by the Office of the Press Secretary on July 26. The press release also includes a photocopy of the substitute resolution.

Remarks of President Reagan and President Ahmadou Ahidjo of Cameroon Following Their Meetings

July 26, 1982

President Reagan. It's been an honor and a pleasure to meet with President Ahmadou Ahidjo of Cameroon and to discuss the views and hopes of a major U.S. trading partner in Africa.

Our discussions today reconfirm the mutual respect our two countries have enjoyed for over 20 years. Our meeting covered a wide range of issues. Particularly useful was our discussion of southern Africa and the Middle East. I listened with interest to President Ahidjo's views on these difficult issues, and I hope he has also gained a better understanding of the role that we're trying to play.

We also had a useful discussion of the enormous economic burdens faced by Africa's developing countries and a possible role for the United States private sector in addressing these problems. An American trade and investment mission, headed by Secretaries Baldrige and Block, visited Cameroon and several other African countries last January. We continue to believe that private enterprise is the most effective means for fostering sound economic development. And I'm very pleased that Cameroon has opened its doors to American businessmen. I hope that our two countries will enjoy increasingly close economic and trade relations in the years ahead.

Finally, our discussion gave me an opportunity to commend President Ahidjo for his outstanding leadership concerning the refugee problem. Over the past several years, Cameroon has hosted over 200,000 refugees fleeing civil wars and harsh regimes in neighboring countries. The United States has tried to help where it could, working through the United Nations High Commissioner for Refugees, to alleviate the heavy burden that this has brought to Cameroon. We urge other nations to contribute to the international effort and give continuing support to the countries of first asylum and to the refugees themselves.

I know that the President will be meeting with a wide range of administration officials and Members of the House and Senate during his Washington stay. And I am certain that he will find them eager to expand the excellent working relations that we have with the Government of Cameroon. His discussions here are laying a foundation for enhanced cooperation and ever closer ties of friendship between the United States and Cameroon. And we're delighted to welcome him here to the United States.

Mr. President.

President Ahidjo. I am pleased after my last visit to the United States of America in 1967 to have been given this opportunity to come back once more to this great and beautiful country on the kind invitation of President Ronald Reagan, with whom I have just had cordial and fruitful discus-

sions.

With regard to our bilateral relations, the discussions were an opportunity to reaffirm the esteem that the Cameroonian and American people have for each other and to express our satisfaction with the close links of mutually advantageous cooperation existing between our two countries for over 20 years now.

With regard to the determination expressed on both sides and with the potentials of our two countries, there is no doubt that this cooperation will grow and be consolidated in the future. This is already evident in the four agreements recently signed in Yaoundé by our two governments to finance interior agricultural projects and training programs for a total amount of $12,000,200.

We also carried out a wide review of problems of common interest in Africa and the world. With regard to Africa, we expressed the need to accelerate the accession of Namibia to independence and to work towards the elimination of apartheid for the advent of majority rule in South Africa. We also expressed the hope that the present crisis in Chad and within the Organization of African Unity will be satisfactorily solved as soon as possible.

With regard to world affairs, we expressed our common determination to support in all circumstances the right of peoples to progress, peace, and self-determination. In this connection, we acknowledge the need to work in a concerted manner to ensure respect for the basic principles of international relations such as nonrecourse to force, the peaceful settlement of conflicts, and peaceful coexistence, as well as the promotion of a more just, balanced, and stable framework of cooperation between industrialized and developing countries as part of global negotiations to usher in a new international economic order.

Lastly, I wish to seize this opportunity to extend my sincere thanks to President Reagan and to the government and the people of the United States for the warm welcome accorded us.

Note: President Reagan spoke at 1:08 p.m. to reporters assembled at the South Portico of the White House. President Ahidjo spoke in French, and his remarks were translated by an interpreter.

Earlier, the two Presidents met in the Oval Office at the White House. They then attended a luncheon in the State Dining Room.

Message to the Congress Transmitting the Annual Report of the United States Arms Control and Disarmament Agency
July 26, 1982

To the Congress of the United States:

I am pleased to transmit to you the 1981 Annual Report of the United States Arms Control and Disarmament Agency. I believe that this report, the first submitted by my Administration and the 21st submitted since the creation of the Agency, marks a real coming of age and maturity in our approach to arms control and disarmament.

In 1981, we began the first in a series of negotiations with the Soviet Union to reduce the threat of nuclear war. The Intermediate-Range Nuclear Force (INF) talks, begun by Ambassador Paul H. Nitze's team in November, are a model for future negotiations with the Soviet Union.

It is our intention to deal with the most potentially destructive and politically destabilizing weapons first. In the INF talks, begun in Geneva, we are seeking to have the Soviet Union dismantle its intermediate-range nuclear weapons in exchange for our pledge not to deploy Pershing II and cruise missiles as requested by the North Atlantic Treaty Organization in December 1979.

Subsequently, in the period to be included in next year's annual report, we have undertaken major new initiatives in the Strategic Arms Reductions Talks (START),

and in seeking reductions in conventional arsenals in the negotiations on Mutual and Balanced Force Reductions (MBFR). These and other important arms control initiatives of my Administration are reviewed in my address of June 17, 1982, to the United Nations' Special Session on Disarmament, provided for your further information in an annex to the attached annual report.

Rather than seeking upper limits in arms control treaties, we seek to bring about real arms control through negotiated reductions. We are dedicated to reducing the threat of nuclear war by gradually reducing nuclear arsenals so that only those weapons which can reasonably guarantee mutual deterrence remain.

I am firmly convinced that the road we are following is both rational and realistic. We have analyzed the Soviet approach to military strategy and the threat posed by Soviet forces. We have concluded that arms control must play a vital role in the conduct of our foreign policy and as a complement to our policy of deterrence.

We are committed to deterrence. We shall stand by our Allies and friends, and we shall consult with them regularly as we go about the business of reestablishing our conventional and nuclear deterrent forces. Deterrence has worked in Europe for more than 35 years.

As you read through this 1981 Annual Report, I hope you will find, as I did, that the measured and considered approach to arms control, made possible by an exhaustive review and analysis, has, for the first time, resulted in a well considered program to reverse the trends of the past and bring about lasting peace.

We intend to pursue arms control and disarmament through agreements that are understandable, verifiable, and equitable. I am certain that I shall be able to call your attention to similar progress in future annual reports.

RONALD REAGAN

The White House,
July 26, 1982.

Note: The report is entitled "ACDA 1981 Annual Report."

Appointment of Four Members of the Advisory Committee on the Arts of the John F. Kennedy Center for the Performing Arts
July 27, 1982

The President today announced his intention to appoint the following individuals to be members of the Advisory Committee on the Arts of the John F. Kennedy Center for the Performing Arts, Smithsonian Institution:

Leota Hays is a general partner of Franklin Investment. She has two children and resides in Jackson, Miss.

Thomas D. Higgins is a computer systems manager for Union Carbide. He is married, has four children, and resides in Charleston, W. Va.

Peggy Mallick is a political, civic, and cultural contributor in the community. She is married, has one child, and resides in Casper, Wyo.

Lindsay J. Morgenthaler is active in civic and cultural affairs in the community. She is married, has four children, and resides in Cleveland, Ohio.

Remarks to Representatives of the Future Farmers of America
July 27, 1982

The President. Thank you, and welcome. You know, there's always a temptation to try and tell a story having some connection with the group that you're talking to, and I

yield to that temptation.

There was a rural couple that on a couple of days off went to an art exhibit. It was an exhibit of modern abstract art. And the husband, he walked up to that first picture, and he took a look at it. And then he looked from another angle, and then—well, he tried it from every angle and finally turned to his wife and says, "I want to buy it." She says, "You what? You want to buy it?" And he says, "Yes." He said, "It's the best darn picture of the farm situation I every saw." [*Laughter*] He says, "No matter which way you look at it, it doesn't make sense." [*Laughter*] Well, sometimes I know that all of you must think that.

Just a few years ago we had a Congressman from a very large city who knew very little about rural life and found himself appointed to the agricultural committee. That kind of makes sense in government, doesn't it? One of his first efforts was to get the committee to declare that food was a natural resource and therefore should be equally distributed among all people. Well, I know some people that have been working at producing that natural resource that would differ with him.

I don't know whether you know the story about the old boy that had taken over some land down in a creek bottom—and it was covered with rocks and brush, and it was pretty scrabbly—and he went to work on it. And he worked and worked, and finally he had a garden that was his pride and joy. And one Sunday morning after the Sunday services he asked the minister if he wouldn't like to come out and see his garden. Well, the minister arrived and he looked. And he looked at melons, and he said, "Oh, the Lord has certainly blessed this land." And he looked at some corn—he said the tallest he'd ever seen. He said, "The Lord has blessed this land." He said, "My, what the Lord and you have managed to accomplish here." And he went on that way for about 10 minutes. And the old boy finally said, "Reverend, I wish you could have seen this when the Lord was doing it by Himself." [*Laughter*]

I want you to know that in this administration, we're trying our hardest to bring more common sense at least from government's angle to the farm situation. In fact, one of your own members is our Secretary of Agriculture, Jack Block.

Jack became a Green Hand in the Knoxville, Illinois, chapter of FFA back in 1949, and my bet is that he can still get into his blue jacket. I think he really misses farming. Earlier this spring we had a little tussle with him. He wanted to plow up the grounds here and plant soybeans. [*Laughter*]

But the FAA [FFA] is known for developing leaders like Jack Block. And your Building Our American Communities program, which recognizes thousands of youth who take the lead in improving their communities, is just such an example.

The FFA embodies the best of the volunteer spirit. And there are so many instances that I could cite here. Flagler County, Florida: An FFA chapter set out to reduce beach erosion in a dune area by planting vegetation. The result was an estimated 95-percent reduction in erosion. In Glen Gardner, New Jersey, a chapter landscaped a newly renovated library. In Howells, Nebraska, the FFA constructed a basketball court and scoreboard and repaired picnic tables and benches in a local park. In Elma, Washington, the FFA chapter built nearly 8 miles of fire trails and planted over 219,000 seedlings.

I could go on with these kind of stories—I love them—and I'd only be citing FFA examples. But on behalf of all Americans, I want to thank you, the members of FFA, for what you're doing for our country. America needs your kind of leadership. America also needs your contributions to farming and agribusiness.

Through the Vocational Agricultural program—and I know Secretary Bell is interested in this—the FFA has prepared millions of young people for their careers. And I use the word "career" advisedly. Few occupations go back further in history than this one. As a matter of fact, in ancient Rome, Cicero had this to say about the occupation that you will some day pursue: "Of all occupations from which gain is secured, there is none better than agriculture, nothing more productive, nothing sweeter,

nothing more worthy of a free man."

Well, you of the FFA fulfill that ideal. And as you go along in your careers, I just want you to know that you carry not only my genuine respect and that of millions and millions of your fellow citizens but our heartfelt best wishes and appreciation.

God bless you, and thank you very much for being here.

Scott Neasham. President Reagan, it means a lot to us as young people that you have visited with us today. The last line of our motto is, "Living to serve." The Bible says, "The greatest among you shall be the servant of all." And we are here today to recognize a great servant of our country.

We as young people look to you for counsel and guidance, and we respect you very much. And it is because of this great respect that we have for you that we have elected you to the highest degree that the FFA can present upon anyone, and that is the Honorary American Farmer Degree.

The President. Thank you all. Thank you very much. I'm greatly honored.

If I could just say to your national president here and to all of you, that line in your motto—a very wise man once said, "Life begins when you begin to serve." So, your lives have begun earlier than most.

Thank you.

Note: The President spoke at 11:35 a.m. in the Rose Garden at the White House.

Message to the Congress Reporting a Budget Rescission
July 28, 1982

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report one new proposal to rescind a total of $83.5 million in budget authority previously provided to the Congress. The rescission affects the fossil energy construction program in the Department of Energy.

The details of the proposed rescission are contained in the attached report.

RONALD REAGAN

The White House,
July 28, 1982.

Note: The attachment detailing the proposed rescission is printed in the Federal Register *of August 3, 1982.*

Nomination of Richard T. McCormack To Be an Assistant Secretary of State
July 28, 1982

The President today announced his intention to nominate Richard T. McCormack to be an Assistant Secretary of State (Bureau of Economic and Business Affairs). He will succeed Robert D. Hormats.

Since 1981 Mr. McCormack has been a consultant for international economics at the Department of State, representing the Department at a number of functions abroad. From 1979 to 1981, he served as a legislative assistant to Senator Jesse Helms. McCormack was at the American Enterprise Institute from 1975 to 1977.

In 1974 McCormack served as Deputy to the Assistant Secretary of the Treasury for International Economic Affairs. Following his tenure at the Treasury Department, McCormack was a consultant to the White House Office of the Special Trade Representative, where he analyzed potential international commodity agreements.

From 1969 to 1971, McCormack served

at the Executive Office of the President in a number of capacities. As a senior staff member of the President's Advisory Council on Executive Organization, he was responsible for drawing up the plans for the subsequently established White House Council on International Economic Policy. McCormack also served as special assistant to former Governor William Scranton at the INTELSAT negotiations at the State Department in early 1969.

McCormack began his career as a staff member of the Peace Corps and has been a consultant to a number of other U.S. Government agencies and private corporations.

Mr. McCormack is the author of "Asians in Kenya" and a number of other articles and monographs on foreign affairs. He received his B.A. degree from Georgetown University in 1963, and Ph. D. (magna cum laude) from the University of Fribourg in Switzerland in 1966. Mr. McCormack was born in Bradford, Pa., on March 6, 1941, and is married to the former Karen Louise Hagstrom. They have an infant daughter, Charlotte.

Proclamation 4954—National Navaho Code Talkers Day
July 28, 1982

By the President of the United States of America

A Proclamation

Since the Revolutionary War, when General George Washington praised the Indians under his command, the United States has been privileged to have members of the Indian Nation serve in its armed forces.

From the bravery demonstrated at Valley Forge and the establishment of the U.S. Indian Scouts on August 1, 1866, to the present day, Native Americans have heeded the call to duty. Though often excluded from the annals of United States history, these people, nonetheless, have defended the only land they have ever known, asking for nothing more than opportunity in return.

The Navaho Nation, when called upon to serve the United States, contributed a precious commodity never before used in this way. In the midst of the fighting in the Pacific during World War II, a gallant group of men from the Navaho Nation utilized their language in coded form to help speed the Allied victory.

Equipped with the only foolproof, unbreakable code in the history of warfare, the code talkers confused the enemy with an earful of sounds never before heard by code experts. The dedication and unswerving devotion to duty shown by the men of the Navaho Nation in serving as radio code talkers in the Marine Corps during World War II should serve as a fine example for all Americans.

It is fitting that at this time we also express appreciation for the other American Indians who have served our Nation in times of war. Members of the Choctaw, Chippewa, Creek, Sioux, and other tribes used their tribal languages as effective battlefield codes against the Germans in World War I and the Japanese and Germans in World War II.

Beyond this unique role, American Indians serving in the United States military forces have established an outstanding record of bravery and heroism in battle. Many have given their lives in the performance of their duty. Their record should be recognized by all Americans.

By House Joint Resolution 444, the Congress has requested me to designate August 14, 1982, as National Navaho Code Talkers Day.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate August 14, 1982, as National Navaho Code Talkers Day, a day dedicated to all members of the Navaho Nation and to all Native Americans who gave of their special talents and their lives so that others might live. I ask the American people to join me in this tribute, and I call upon Federal, State and local officials to

commemorate this day with appropriate activities.

In Witness Whereof, I have hereunto set my hand this 28th day of July in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 2:03 p.m., July 28, 1982*]

Executive Order 12374—Reports on International Organizations
July 28, 1982

By the authority vested in me as President of the United States of America by Section 306 of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2226), and Section 301 of Title 3 of the United States Code, and to provide for reports to the Congress on United States contributions to international organizations, it is hereby ordered as follows:

Section 1. The functions vested in the President by Section 306(b)(1) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2226(b)(1)), are delegated to the Secretary of State.

Sec. 2. The Director of the Office of Management and Budget shall furnish to the Secretary of State those reports which the Director receives from agencies pursuant to the provisions of Section 306(b)(2) of the Foreign Assistance Act of 1961, as amended (22 U.S.C. 2226(b)(2)).

RONALD REAGAN

The White House,
July 28, 1982.

[*Filed with the Office of the Federal Register, 2:04 p.m., July 28, 1982*]

The President's News Conference
July 28, 1982

Balanced Budget Amendment

The President. Ladies and gentlemen, I have a brief statement here.

Nine days ago on the steps of the Capitol, I delivered a message to the Congress from millions of Americans. Back-to-back decades of red ink spending have brought our economy to its knees. Long years of runaway inflation, interest rates, and high taxes had robbed people of their earnings and weakened every family's ability to pay its bills and save for the future. The American people understand that we need fundamental reform—reform that goes beyond promises and gives them real protection for their earnings. They want this government to draw the line and to pass without delay a constitutional amendment making balanced budgets the law of the land.

The Senate is expected to vote very soon on this matter, and the eyes of the Nation will be watching the Congress as it nears this critical decision.

Our current economic troubles are the direct result of the mistakes of the past—mistakes that we're working to correct. We've begun to rescue this economy, and the first evidence of recovery has been cited—but it's only a beginning. Many of our people are still suffering, and nothing has been more painful to me than the slowness of our progress.

I understand that statistics like falling interest rates, smaller price increases, and a better gross national product are cold comfort to Americans who feel trapped by the

economy. I wish recovery could be easier and faster. Unfortunately, it isn't. It's tough, slow work, and it's going to require enormous effort and patience from every one of us to correct the problems we inherited. But slowly and surely we're working our way back to prosperity.

The worse thing that we could do would be to turn back, to resort to the same political quick fixes that got us into this mess. If we have the courage to believe in ourselves and stop wringing our hands, roll up our sleeves and get the job done, and for once get it done right, we can start repaying that mortgage on our future and create opportunity and hope again for every American.

Jim [James R. Gerstenzang, Associated Press]?

Economic Recovery Program

Q. Mr. President, with the somber nature of this economic report and with bad news continuing to come in on inflation, which had been, until recently, coming down—unemployment still high, budget deficit continuing—are you paving the way for more bad news? And how much longer—weeks, months, a few more years—should the American people expect to wait until the program begins to really work?

The President. Well, Jim, no, I'm not trying to pave the way for more bad news. I was just trying to get a little more publicity for the American people to urge their Congressmen to adopt the constitutional amendment. I think that that could have a very profound effect.

The other day when a major bank in New York, Manufacturer's Hanover, reduced interest rates, I thought it was very interesting that the man in charge said that they were reducing them because of a feeling of public obligation, that so much of our present problem is psychological. And I think it is. And I think that some of what's going on in the Congress has held back the psychology, a change that is needed. And this is why I believe, in addition to the constitutional amendment being a very practical way of getting us out of a situation that has seen us have 19 deficits in the last 20 years, would be the psychological effect that it would indicate that the government is really determined to end this kind of runaway spending and have some fiscal integrity and common sense.

Soviet Gas Pipeline; U.S. Grain Sales

Q. Mr. President, Chancellor Schmidt says that the allies, Western allies, are united against your ban on equipment for the Siberian pipeline, and they're going ahead with it anyway. Since you seem to be about to make a new deal with the Soviets on grain and want to continue that, what do you think is happening to the allied relationship? And do you have any second thoughts about the pipeline?

The President. No, no second thoughts, Helen [Helen Thomas, United Press International]. And I know that we discussed this at great length in both the summit meeting and the NATO meetings when I was in Europe with them. We know their position. We know that several of their—or some of their governments insist that contracts had been made before the Polish situation and that, therefore, they felt obligated to go forward with them.

We, as you know, in December we announced that from our standpoint this would be one of the steps that we would take because of what we think is the Soviet pressure causing this repressive government in Poland and the actions that have taken place there. And we have made it clear that there are things—that if the military government should soften and go away, if the military government should release all of the people, including Lech Walesa, if they should reopen conversations with Solidarity, we'd be very happy to review our position with regard to the pipeline.

Now, you mentioned grain in connection with that. Let me point out there are a couple of very important differences in the two situations.

We refused to enter into negotiations for the renewal of a long-term grain compact with the Soviet Union because of the Poland situation. We continued simply on a year-to-year basis selling it. But the differences that I mentioned are that, number one, the technology for the pipeline is mainly only obtainable from the United States. Grain, the Soviet Union can get in other places, if they want it. So, we

wouldn't be achieving very much if we had used that as it was used back a couple of years ago by the previous administration with regard to the Afghanistan invasion. It didn't hurt the Soviet Union, but it was a terrible economic blow to our farmers. That's one element.

The other element is that grain will result in the Soviet Union having to pay out hard cash, and they're not too flush with that right now. The pipeline, when finished, will result in the Soviet Union getting hard cash, which it does not now have and which it can then use to further build up its military might.

Now, we think that these are two very important differences with regard to both of these, and we will very shortly be announcing our position with regard to grain, in case that might be——

Q. What about the allies' relationship, though——

The President. Oh, the allied relationship.

Q. ——[*inaudible*]—as you said the last time?

The President. Yes. Let me say also that that same Helmut Schmidt has made a remark even on his visit back here that indicates that—just what I feel. When I say we have a better relationship, we do.

This is kind of like a fight inside a family, but the family is still a family. And we know that we're bound together in a great many ways. And in the recent European trip, we solidified agreements having to do with protectionism, having to do with curbing low-interest loans to the Soviet Union that was literally subsidizing their ability to continue their military buildup and so forth.

No, I feel that we do have a fine relationship. We know and we came home knowing that there was disagreement on this particular thing.

Yes, John [John Palmer, NBC News].

Situation in Lebanon

Q. Mr. President, I would like to stay with foreign policy, but turn to the Middle East. And I wondered what effect you believe the constant, day-after-day bombing by the Israelis and shelling by the Israelis in Beirut is having on your efforts and your special envoy, Mr. Habib's, efforts to try to bring some kind of a settlement? And, secondly, Mr. Habib has been there nearly 7 weeks. And can you give us some idea what progress, if any, he is making?

The President. John, there's nothing we would like more than to see an end to the bloodshed and the shelling. But I must remind you it has also been two-way. The PLO has been, and in some instances has been the first to break the cease-fire. That we would like to see ended, of course. And we still stay with our original purpose, that we want the exodus of the armed PLO out of Beirut and out of Lebanon. Mr. Habib has been making a tour of countries to see if we can get some help in temporary staging areas for those people.

We want the central government of Lebanon to once again, after several years of almost dissolution—to once again be the authority with a military force, not several militias belonging to various factions in Lebanon. And then we want the foreign forces, Israeli and Syrian both, out of Lebanon.

Habib—Ambassador Habib has been doing a magnificent job. I don't comment on specifics, because I know how sensitive these negotiations are. And sometimes you lose some ground that you think you'd gained, and sometimes you gain again. I still remain optimistic that the solution is going to be found. As I say, he has returned from that trip to other countries—some of the other Arab States and to Tel Aviv.

Contrary to some reports or rumors today, there are no deadlines that have been set of any kind. There is an unsubstantiated report now that another cease-fire has gone into effect. Let's hope it'll hold.

But he continues to believe it is worthwhile to continue the negotiations, and I think he's entitled to our support.

Q. Sir, you said that you wanted the bombing stopped, if I understood you correctly. Have you conveyed your feelings to Prime Minister Begin?

The President. Well, when I say that, what I should say is, we want the bloodshed and the conflict to stop. And I'm hesitant to say anything further about where we are in those or who might be providing the stumbling block, now, to the steps that I just outlined that are necessary to bring peace

there. So, I can't go beyond that except to say that unless and until Ambassador Habib would tell me that there's nothing more to be negotiated and he can't solve it, I'm going to continue to be optimistic.

Yes, Mike [Mike von Fremd, ABC News].

Secretary of the Interior Watt

Q. Mr. President, a question concerning a member of your Cabinet, Secretary Watt. You recently had to disavow some comments by him when he suggested that U.S. support for Israel might be curtailed if American Jews do not support your energy policy. Now Mr. Watt in a letter to Congress suggests that American troops might have to fight in the Middle East if there's any interference with the vast new offshore oil drilling. Is Secretary Watt reflecting your views? Is he reflecting the foreign policy of the administration? Or, as Senator Moynihan suggests, has he embarrassed your administration and is someone who should be fired?

The President. No, Mike, he shouldn't be fired. And as I say, the whole context of his letter and the opening statement you made from that letter, or paraphrasing it, was the result of a conversation with [Israeli] Ambassador Arens, a lengthy discussion of this subject at a social gathering the night before. And as many of us do, you go home and you think of a couple of points you hadn't made, and he made them. What he was suggesting, with regard to the danger to Israel, was our vulnerability as long as we are dependent on oil—energy from insecure sources, and that if there should be, as we once had, an embargo and if we should find ourselves without the energy needed to turn the wheels in this country and the wheels of industry, we wouldn't be much of an ally to our friends. And that would certainly include Israel. And he was making it very plain that we are morally obligated to the support of Israel.

Now, he has made a speech to a group in New York, I believe it was B'nai B'rith, today, and I understand that in outlining his whole position and where he stands, that his audience was most enthusiastic and supportive of what he had to say.

His letter to the Congressmen—I think he was only trying to make the example that some of those who had been the most outspoken up there have also been the—had the most objections to us trying to improve our energy situation. And what he was pointing out is, where would the Western world be if someday our source of supply was purely there in the Persian Gulf and it was denied to us? So, this was his dramatic statement about the other.

But I think he's also expressed the wish that he'd had second thoughts.

Gary [Gary Schuster, Detroit News]?

Policy Toward China and Taiwan

Q. Mr. President, what role do you envision for mainland China in American strategic planning in East Asia and along the Soviet border, and what are your plans for arms sales to Taiwan?

The President. We want to continue developing the relationship that was started some years ago by President Nixon with the People's Republic of China. But at the same time, they know very well our position, and it has not changed. We are not going to abandon our long-time friends and allies on Taiwan. And I'm going to carry out the terms of the Taiwan Relations Act. And this has been made clear. And we have no secret agreements of any other kind or anything that should cause the government or the people of Taiwan to have any concern about that. It is a moral obligation that we'll keep.

Yes, Ralph [Ralph Harris, Reuters].

U.S.-Soviet Summit

Q. Mr. President, earlier this year there was a good deal of discussion about a possible summit with Mr. Brezhnev. On one occasion you said it was "in the works." Now, this issue seems to have faded, and I wondered what you anticipate in the way of a summit this year.

The President. Well, I don't know whether it's going to be this year or next or at all. That's going to depend on—it takes two to tango. We have—I had suggested with the belief that he was possibly coming to the U.N. meeting, as you know, that while he was here that we have a meeting, just as I had with some of the other heads of state who were here. It developed he wasn't

coming. And this led to the talk of a possible summit.

A summit, you know, isn't the answer or the cure for everything that's wrong in the world. But it has to be carefully planned. An agenda has to be set, and that begins with foreign ministers meeting. When I say that it's in the works, I can only tell you that our State Department has been communicating and in communication with the Soviet Union. With regard to this, there had been no positive replies or steps. Indication of interest is all. And we continue, and if at such time we know that there is an agenda and there is a real purpose in having this, we'll have a summit.

Yes, Jerry [Gerald E. Udwin, Westinghouse Broadcasting Co.].

Interest Rates

Q. Mr. President, in terms of the economy, in the short run, with the government needing to do so much borrowing in the coming months with the high Federal deficit, what are the prospects that interest rates can come down much further in the face of that and that, therefore, there could be any substantial economic recovery in the near future?

The President. I believe that they will be coming down. I know there are great variances about how much we have to go into the money market for and what that might do to the other, but they have been tending down. I mentioned the most recent drop. Last week, the short-term, the 90-day notes dropped to 10.7 percent on an average. The week before they had been 12, and the year before, they'd been 15½. Now, we inherited interest rates of 21½ in the prime rate, and the prime rate is now down to 15½.

And I just—I believe that there is this sentiment out there. And I think that there are the signs that, as I've called it before, we're in a kind of transition from—even as Rivlin,[1] along with her more pessimistic utterances, more pessimistic than ours, said that this recession has flattened out, has bottomed. And now we're in what I call a transition period, of moving from there into the recovery.

George [George Condon, Copley News Service], I just feel that you're sitting in that seat for the first time, and you ought to——

Q. Miracles do happen, sir. [*Laughter*]

Situation in Lebanon

Mr. President, you mentioned earlier the sensitivity of the Lebanese negotiations. Did you consider it harmful to those diplomatic efforts last week when several U.S. Congressmen met with PLO leader Arafat? And do you feel Congressman McCloskey and the others were either manipulated or used by Arafat to make it look like there was progress?

The President. Well now, I will be conscious of the separation of powers and say it, of course, is the right of Congressmen to go there if they so choose. I don't happen to believe that right now it is a good time to do that or a good idea. But I believe that the Congressmen themselves, that Representative McCloskey himself has said that he now believes that the paper that was signed did not amount to anything and so he's——

Yes.

Economic Recovery Program

Q. Mr. President, you say that we're in a transition period in terms of the economy. When do you expect the recovery to get underway? How strong do you think it'll be? And how long do you think it'll last?

The President. Well, I think the recovery that we're talking about, with the plan that we've put into effect, is based on being a more or less permanent one. All of the previous recessions have been ended by a quick fix, the flooding of money into the market, temporary spending, artificially stimulating the economy, which resulted in high inflation but did give you a kind of a quick fever that seemed like prosperity. And the next recession came usually about 2 years later. We're trying to restore the economy, to get back to a growth economy that will be based on solid principles.

Now, it is going to be slow. And it's slow now. But, as I say, we are in that transition period. There will be some indices, econom-

[1] *Alice M. Rivlin, Director of the Congressional Budget Office.*

ic indices that will turn up bad, such as the 1-percent monthly increase in inflation. But I don't take that as a permanent switch to double-digit inflation at all. And I think that we're going to see an improvement in the second half of this year. But I'm not going to try to project exactly what level it will reach and exactly what date it will reach that level. I don't think anyone can.

Q. Just let me follow up. Some of your previous predictions have been somewhat—too optimistic. What do you think about predictions that the recovery will begin to taper off in the beginning of next year?

The President. I don't think that—if we stick with our guns, I don't think it will. And as to optimism, let me just say this: I think what has happened is that we've made as legitimate predictions as we could, and if you'll recall, all last year we were talking about a sluggish economy, that no one should expect any sudden booms or anything, that we knew what we were up against and how far we had to go. But when we had to give figures, as the law requires, in projections and then found that our own—we hadn't been optimistic enough about inflation, that we had no idea that we could bring inflation down as quickly and as much as we did. And while that was a fine thing for the people—and I hope we can keep on doing it—it did change our estimates about taxes, because the government prospers and profits from inflation. It is a form of tax. And not having expected it to come down so quickly, we had to alter our estimates of revenues, and that changed some of our previous prognostications.

Lesley [Lesley Stahl, CBS News]?

Balanced Budget Amendment

Q. [Barry Cunningham, Independent Television News Association] Mr. President, the balanced budget amendment is obviously very popular with voters and especially with politicians, but I wonder if you share the same sense of irony that some Democrats see in your standing up there on the steps of the Capitol, presiding over the biggest budget deficit in history, and telling the American people in effect, "There ought to be a law against what I'm doing." [*Laughter*]

The President. The budget deficits I don't think can be laid at an individual's door. I could turn around and say how much less that deficit would be if the Democratic leadership that is now coining this nice little thrust that you have just repeated—if they had given us all that we asked for last year and this in reductions in government spending—but we have never gotten yet what we have asked for. If we had been able to get the tax cuts implemented as we wanted them, the full supply-side economic program—now to turn around, I can say back to them, "All right, then why don't you just give us what we've asked for? You give it to us now, and let's see how big the deficit will be."

But I don't feel self-conscious at all. If we have been in an economy that has built into the budget a growth pattern that has seen, as I said before, 19 deficits in the last 20 years—and before that you can add several more in—they were almost that thick 4 years before that—then what we're trying to do is turn around a policy of government that has built this into the system. And we're meeting opposition in trying to do that.

Now, I'm not through with cutting and spending. The '83 budget resolution goes into effect, and they start implementing it, and I will be watching the appropriation bills. For 1984 I'm going to aim at more, and I'm going to be asking them for more cuts. We're still determined that we're going to balance this budget. We can't balance it this year or next or maybe—or the one after that, but we're working toward that goal.

Now, Lesley [Lesley Stahl, CBS News], you are the one I——

Q. Thank you, Mr. President.

The President. ——or was that your question?

Palestine Liberation Organization

Q. As you've said before and as your spokesmen have been saying, PLO chief Arafat has not yet met the conditions that the United States Government has set for direct talks with you. However, do you think that Mr. Arafat is moving in that direction? And would you welcome such a development?

The President. Well, I think it would be a step forward in progress if the PLO would change the position it has had, and that is that Israel must be destroyed or that it has no right to exist as a nation. And what that would require is agreeing to abide by the U.N. Resolutions 242 and 338, agreeing that Israel is a nation and does have a right to exist. Then I would feel that the United States could enter into discussions with the PLO.

Now, I'm not speaking for Israel. That's up to them, and we could not speak for them. But we're not—we're there as an intermediary, offering our services to try and help bring about peace in the Middle East.

Q. Would you also, then, support an independent Palestinian state, which is what the PLO wants?

The President. That again, I think, is up to the negotiators. We wouldn't impose anything on them. But Egypt and Israel, under the Camp David agreement, they are supposed to enter into now an area of talking of autonomy for the Palestinians. And that, again, is something that has been delayed because of this tragedy in Lebanon. But I think that is up to them as to how that autonomy develops and what they see as a proper solution to the Palestinian problem.

Rich [Rich Jaroslovsky, Wall Street Journal]?

Economic Recovery Program

Q. Mr. President, you said recently, and you said again this evening, that we're entering a period of economic recovery. My question is: Do you expect this period of economic recovery to be evident to anyone besides the economic statisticians before the November elections? And are you concerned about the possibility of major Republican losses this year?

The President. Well, I think it should be evident to them right now. For example, real wages—real income is increasing for the first time in a long time at a rate of 4 percent. Heretofore, while the number of dollars a worker received increased, he didn't really—he or she—get any increase in purchasing power; they actually went down. They've been going down in purchasing power for some time. That is up.

Since January, on an annualized basis, retail sales are up 12 percent, annualized. Inflation and the gains that we've made there—a family of four with $15,000-a-year income would today have a thousand dollars less purchasing power if tax rates and inflation had remained where they were in 1980.

So, I think there are a number of signs—and, of course, interest rates have come down, as I pointed out—I think there are a number of signs that indicate that things are better for the people and that they should be able to see.

Judy [Judy Woodruff, NBC News]?

Defense Spending

Q. Mr. President, how firmly committed are you to the military budget projections for 1984 and '85 that were part of the February budget proposal? And in particular, would you be willing to go along with somewhat lower military budget projections, such as those passed by the Congress last month?

The President. This is a question, Judy, that what I've said is that I reserve the right to have the flexibility with regard to individual programs. In '83, we settled on that and what the figures would be. And there was some decrease in the military budget. But I don't feel bound by—while I feel bound by the overall figures, the projected deficits and the projected overall cuts and so forth to try and reduce those, I feel bound to stay within those. But I feel that I should have the flexibility based on when that time comes to come forth with the 1984 budget to delegate that spending to programs based on what I feel the needs are.

Q. Just a followup, Mr. President. When some of your Republican allies in the Senate were asked about reports about this today, Senator Dominici, for example, accused you of reneging on a commitment, and Senator Dole said that now is not the time to be backing off spending cuts.

The President. I'm not backing off of spending cuts. We'll be within that figure. As a matter of fact, it's my determination that that'll even be a—the total figure will be smaller, because we still have much further to go in reducing the increase in gov-

ernment spending.

Andrea [Andrea Mitchell, NBC News]?

El Salvador

Q. Mr. President, critics have said that there is no progress on human rights in El Salvador nor progress on land reform. The government there has yet to cooperate in the investigation of the four American missionaries who were killed there. Can you explain why you decided to go ahead with the certification, the approval for continued military aid to El Salvador, and why people should not think you're sending the wrong message to the right-wing forces there?

The President. Andrea, the State Department is the one that issued the certification, and in the next few days, they will be having witnesses, observers, who will be testifying as to why they certified that the Salvadoran Government is making progress in improving the human rights situation there.

I grant you that things—I'm quite sure that there are unfortunate things that are going on and that are happening. The idea is, are they legitimately and in good faith making progress in trying to solve that—resolve that. And that's what the testimony will be, that they are.

With regard to land reform, yes, there was a flurry when the new government first took over. But I, again, would like to call your attention to the great turnaround and the exposure of what has been disinformation and outright false propaganda for so long about El Salvador and the fight down there, that was exposed in the turnout of people who, in the face of guerrilla ambushes, guerrilla threats against their lives, went to the polls to vote for order in government.

I said there was a flurry about land reform. I understand that that has turned around, that there are thousands of people who have been given the deeds to their plots of land now and that there are several hundred pending.

Sarah [Sarah McClendon, McClendon News Service]?

Legal Equity for Women

Q. Sir, you have a report before you that was given to you from the Justice Department. It shows the discriminations that actually exist on the books in Federal agencies and departments against women. Now, you're committed to take care of legal equity for women, and this report has not been made public. Would you please let us see it, and will you do something about it?

The President. It hasn't reached me yet.

Q. Yes, sir, it did. It came to you in the Cabinet meeting, and you admitted at your last press conference that you had it. And I have checked this out thoroughly—[*laughter*]—yes, sir. It came from Assistant Secretary——

The President. Don't tell me I'm losing my memory. [*Laughter*] Well, Sarah, let me tell you this. First of all, I don't know of any administration that in the first 16 months that it was here placed as many women—certainly not the last administration——

Q. Sir, that's fine, that's fine.

The President. ——in high positions, a great number of them requiring confirmation. And that is continuing along that line, and that has a task force now—in the Justice Department there is a task force that is working on this very question.

Q. You've got it; you've got part of it; you've got the first quarter of it. It was given to you at the Cabinet meeting by Brad Reynolds,[2] and it says that there's been a lot of sex—harassment of women—[*laughter*]——

The President. Harassment? [*Laughter*]

Q. Sir, I suggest you look into that. He talked about it at the Cabinet meeting. He was there.

The President. Now, Sarah, just a minute here with the discussion, or we'll be getting an R rating. [*Laughter*]

Q. I hope you'll look into it and let us see the report. It's been waiting to get out for years.

The President. No, then what we're doing with the task force that I've spoke about is one that is aimed, just as I have asked 50 Governors, and they have all appointed a representative, to go into all the statutes they can find in their States, as we did in California when I was Governor.

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[2] *William Bradford Reynolds, Assistant Attorney General, Civil Rights Division, Department of Justice.*

Q. Sir—[*inaudible*]—that's not right. The task force is one that was started by Jerry Ford. It was funded by Carter.

The President. That's right.

Q. And you kept it on after August——

The President. That's right. And I have given them——

Q. ——[*inaudible*]—you said in December that you would do something about legal equity for women, that at your last Cabinet meeting—[*inaudible*]—that's part of this report.

The President. Sarah, Helen is just trying to get up here, but, Helen, before you do, let me just tell you, Sarah, yes, I do not claim that I started the task force. I have told the task force to continue, and what they should do now is look at statutes, look at laws, look at regulations, and anyplace they find anything in our government that is discriminatory, just as we found it in California when we started looking at that, to eliminate those, just as we're asking the 50 States to do it. And I have——

Q. Well, they finished the job, sir. When are you going to let us see the report?

The President. What?

Q. They finished the job, finished it a long time ago. When are you going to let us see the report?

The President. I'll look into that and see what it is, but I don't recall anything that really had an X rating that ever was handed to me. [*Laughter*]

Ms. Thomas. Thank you.

The President. Well, Helen says it's over.

Note: The President's 12th news conference began at 8:01 p.m. in the East Room at the White House. It was broadcast live on nationwide radio and television.

Remarks at the Welcoming Ceremony for Prime Minister Indira Gandhi of India

July 29, 1982

The President. Prime Minister Gandhi, Nancy and I are delighted to welcome you to the White House. And let me add a personal note. It is good to see you here again as leader of the great Indian democracy, which provides a unique opportunity for us to broaden and deepen the dialog we began last autumn in Mexico. Through our talks, we can help to reach a renewed recognition of the mutual importance of strong, constructive ties between India and the United States.

In searching for words to describe the focus of your visit to Washington this week, I came upon a statement that you had made in Delhi when Roy Jenkins visited in 1980. And at that time, you said, "The great need in the world today is to so define national interest that it makes for greater harmony, greater equality and justice, and greater stability in the world." Well, that is more than an eloquent description of enlightened national interest. It can also serve to describe the foundation of the relationship between the United States and India, a relationship we seek to reaffirm this week. A strengthening of that relationship, based on better understanding, is particularly important at this time.

Your father once said that the basic fact of today is the tremendous pace of change in human life. The conflicts and the tensions of the 1980's pose new challenges to our countries and to all nations which seek, as India and the United States do, freedom in a more stable, secure, and prosperous world. As leaders of the world's two largest democracies, sharing common ideals and values, we can learn much from one another in discussing concerns and exploring national purposes. From this understanding can come greater confidence in one another's roles on the world's stage and a rediscovery of how important we are to one another.

Prime Minister Gandhi, we recognize that there have been differences between our two countries, but these should not ob-

scure all that we have in common, for we are both strong, proud, and independent nations guided by our own perceptions of our national interests. We both desire the peace and stability of the Indian Ocean area and the early end of the occupation of Afghanistan. We both seek an equitable peace in the Middle East and an honorable settlement of the Iran-Iraq conflict.

We both seek a constructive approach to international economic cooperation, building on the strong links even today being forged between the economies of the United States and India. Beyond that, India and the United States are bound together by the strongest, most sacred tie of all, the practice of democratic freedoms denied to many peoples by their governments.

My devout hope is that, during this visit, we can weave together all these threads of common interest into a new and better understanding between our two countries.

Welcome to the United States.

The Prime Minister. Mr. President and Mrs. Reagan, to me every journey is an adventure. And I can say that this one is an adventure in search of understanding and friendship.

It is difficult to imagine two nations more different than ours. As history goes, your country is a young one. Over the years, it has held unparalleled attraction for the adventurous and daring, for the talented as well as for the persecuted. It has stood for opportunity and freedom. The endeavors of the early pioneers, the struggle for human values, the coming together of different races have enabled it to retain its elan and dynamism of youth. With leadership and high ideals, it has grown into a great power. Today, its role in world affairs is unmatched. Every word and action of the President is watched and weighed and has global repercussions.

India is an ancient country, and history weighs heavily on us. The character of its people is formed by the palimpsest of its varied experiences. The circumstances of its present development are shadowed by its years of colonialism and exploitation. Yet, our ancient philosophy has withstood all onslaughts, absorbing newcomers, adapting ideas and cultures. We have developed endurance and resilience.

In India, our preoccupation is with building and development. Our problem is not to influence others, but to consolidate our political and economic independence. We believe in freedom with a passion that only those who have been denied it can understand. We believe in equality, because many in our country were so long deprived of it. We believe in the worth of the human being, for that is the foundation of our democracy and our work for development. That is the framework of our national programs.

We have no global interests, but we are deeply interested in the world and its affairs. Yet, we cannot get involved in power groupings. That would be neither to our advantage, nor would it foster world peace. Our hand of friendship is stretched out to all. One friendship does not come in the way of another. This is not a new stand; that has been my policy since I became Prime Minister in 1966.

No two countries can have the same angle of vision, but each can try to appreciate the points of view of the others. Our effort should be to find a common area, howsoever small, on which to build and to enhance cooperation. I take this opportunity to say how much we in India value the help we have received from the United States in our stupendous tasks.

I look forward to my talks with you, Mr. President, and getting to know the charming Mrs. Reagan. I thank you, Mr. President, for your kind invitation, for your welcome, and your gracious words. I bring to you, to the First Lady, and to the great American people the sincere greetings and good wishes of the government and people of India.

Note: The President spoke at 10:10 a.m. on the South Lawn of the White House, where the Prime Minister was accorded a formal welcome with full military honors.

Following the ceremony, the President and the Prime Minister met privately in the Oval Office. They then joined U.S. and Indian officials, including Secretary of State George P. Shultz, Secretary of the Treasury Donald T. Regan, Assistant to the President for National Security Affairs Wil-

liam P. Clark, U.S. Ambassador to India Harry G. Barnes, Jr., Gopalaswamy Parthasarathi, Adviser to the Prime Minister, P. C. Alexander, Principal Secretary, the Prime Minister's Secretariat, and Indian Ambassador to the United States Kocheril Raman Narayanan, in the Cabinet Room for further discussions.

Toasts of the President and Prime Minister Indira Gandhi of India at the State Dinner
July 29, 1982

The President. It's been a personal pleasure for me to welcome Prime Minister Gandhi back to this city and to this house today.

The Prime Minister and I and Secretary Shultz and other members of our government have had a long and meaningful discussion on a wide range of subjects. Often we came at these subjects from different perspectives born of different national experiences and roles in the world. But throughout I have been struck by the strength, the intelligence, and the determination of the Prime Minister, not only in explaining her views but in seeking a clear understanding of ours. The dialog of discovery that we began at Cancún matured in our discussions today and will, I trust, bear important fruit in the days and years ahead.

During our recent visit to Europe I had the honor of addressing a joint session of the British Parliament. It seemed fitting to build my speech around the concept of democracy which that "Mother of Parliaments" represents. We sought to articulate the deep and abiding faith of the American people placed in our democratic institutions and the idea that an immutable bond draws democratic countries together.

One of the nations I singled out was India. I chose India in that speech for two reasons. India's experience since independence exemplifies the gathering strength of the democratic revolution. And India stands in eloquent refutation of all those who argue that democratic institutions are not equal to the task of dealing with today's problems, or are irrelevant to the needs of today's developing nations. For these reasons, India serves as a beacon not only to developing nations which seek to emulate its experience but to all of us who seek renewal of our faith in democracy.

You can understand, Madam Prime Minister, why we are honored to have you here. It's not only because you're the leader of a great nation, one whose history, civilization, size, and influence on the world command our attention and respect, but also because you're the representative of a family which has been in so many ways the architect of that nation.

The contributions which your family has made to India most closely parallel in our history the Adams family. They came from Massachusetts, not Kashmir. They came—by coincidence they were often referred to as Boston Brahmins. [*Laughter*] And theirs, too, was a tradition of scholarship, sacrifice, and public service. Successive generations of Adamses contributed to our national development, first by struggling for independence and articulating our national ideals, then through years of selfless effort toward their attainment. So you, Madam Prime Minister, your father, and each of your sons have served India.

Lord Bolingbroke's description of the Adams family is equally appropriate for your family's contribution to India. "They are the guardian angels of the country they inhabit, studious to avert the most distant evil and to procure peace, plenty, and the greatest of human blessings, liberty."

The recent summit at Versailles proved once again, as I told the British Parliament, that even in times of severe economic strain, free peoples can work together freely and voluntarily to address problems as serious as inflation, unemployment, trade, and economic development in a spirit of cooperation and solidarity. In our

bilateral relationship as well, democratic principles are the foundation on which we can build the framework of a lasting and durable friendship. The day-to-day reality of our close ties, whether in the fields of education, the arts, science, or commerce, all flow from the same basic understanding that although our countries may travel separate paths from time to time, our destination remains the same.

For my part, Madam Prime Minister, our talks today were particularly useful in reaffirming the inherent strength of our relationship. Our frank discussions have contributed greatly to the stripping away of stereotypes which have sometimes surrounded our relations. We look forward now to a renewal of cooperation based on the shared understanding of our common values and our common aspirations.

In this spirit, Madam Prime Minister, I raise my glass to you as the distinguished leader of a great sister democracy and to the friendship between our two proud, free peoples.

Thank you.

The Prime Minister. Mr. President, Mrs. Reagan, distinguished guests:

Entering the White House, one cannot but think of the men of vision and energy and the women of character and grace who have lived here, who have influenced people's minds and the course of world events. Awesome indeed are the responsibilities of the United States and its President. In far-off India, at a time when communications were not as satisfactory, our own freedom struggle drew inspiration from the makers of your nation. How farseeing and wise they were, and how well they built.

The first President, who chose this site, had a simple wish, and I quote: "I hope ever to see America amongst the foremost nations in examples of justice and liberality." Since those words were uttered, the United States has become the world's foremost country in wealth, in technology, and in vigor of intellect. The combination of these qualities is indeed something of which you can be justifiably proud.

America has grown through challenge, not conformism. To quote a historian: "America was born of revolt, flourished in dissent, and became great through experimentation."

Our challenges in India have not been less. We have charted our own course, fortunate in leaders who took sustenance from our timeless philosophy, as well as modern concepts, putting them to work as instruments of action.

Our national movement reinforced the age-old unity which had held our country together through the ups and downs of history, across the shifting borders of hundreds of kingdoms, and bridging succeeding dynasties. After independence it was our task to usher in a more egalitarian society which would ensure social and economic justice to all regardless of religion, caste, language, or sex. For us economic progress means not only material well-being but moving nearly 500 million from one age to another, with the minimum dislocation or alienation from their roots.

Few things are good or bad in themselves. Their effect and importance lies in what one makes of them. Tradition, especially ours, which has been a factor for unity, for tolerance, and harmony, and for our people's cultural literacy, can be used as a tool, paradoxical though it may sound, for change and modernity. Life for a person or a country is a series of choices, not between the correct and the incorrect, which a computer can make, but in terms of opting for a course which will be consistent with our ethos and individuality, our past history and future aspirations.

Our struggle for independence was nonviolent. We chose democracy based on the British system but with some modifications, and the American Constitution influenced the shaping of our own Constitution. Our planning is not for regimentation, but to help us to take rational decisions and meet the competing demands of different sections of society and regions.

In India, as in the U.S.A., we have a private sector as well as a public sector. I see no conflict between the two. We have persevered in the face of criticism, of aggression, of different types of interferences. We are not satisfied with our success; we could have done better. Yet, notwithstanding the tremendous odds, we have moved forward.

There has been significant progress in ag-

riculture and industry, in science and technology, and in the social services. The very fact that life expectancy has gone up by 20 years indicates improvement in living and working conditions. We aim at self-reliance. So, it is befitting that 90 percent of the resources needed for this gigantic endeavor of modernizing the country have come from our own people, impoverished though they are thought to be. But the remaining 10 percent or so is important, for that represents the inflow of modern technology.

In this we have been helped by the United States, by countries of Western and Eastern Europe, and several international institutions. We particularly appreciate American technical assistance. In consonance with our independent stand, we take cooperation in science, trade, or defense requirements from wherever it suits our national interest.

If India were considered in economic or military terms, it would not count. Yet our voice is heard, because in spite of our poverty and economic backwardness and often looking beyond our immediate interests, we have fearlessly spoken up for the rights of the underprivileged and the threatened and have championed the cause of peace and freedom. We have always viewed our problems in the much larger perspective of global problems.

Our foreign policy is one of friendship for all, hence our nonalignment. We are against the involvement of foreign troops or any other interference in the internal affairs of other countries. We believe in negotiations rather than the use of arms in settling disputes.

India is a large area of stability in South Asia. Undoubtedly its strengthening will help to stabilize and strengthen the entire region.

It is good that meetings between heads of state and government, individually and at conferences, are taking place more often. They do take us away from urgent tasks at home, but national and international problems are increasingly interlinked. Cancún dealt with various global issues, Versailles with the economic and other problems of the North, touching also on North-South questions. At the New Delhi Meeting of Developing Countries, the focus was on cooperation between themselves.

On earlier occasions I have pointed out that the future of advanced and developing countries is so closely intertwined that cooperation would benefit both. This is not merely a question of social justice and equity. My own view is that developing countries can contribute significantly to the emerging world economic order. Theirs are the potentially large markets which would help developed countries like the United States to maintain higher profitability on their investment, higher rates of growth, and to generate more employment.

To our minds there are three main causes of the present disturbing situation: the growth of armaments; the increasing disparity between the rich and the poor, both between and within nations; and the thoughtless wounding of our Earth.

The world is one, yet we treat it as many, giving different names to the segments. As they are politically used, the words, East and West, North and South, are not even geographically apt. More than 3,000 years ago, when the world was greener, the sages of my country wrote an ode to the Earth. It is so pertinent today that I should like to share some lines with you.

> "Do not push me from the west or from the east, or from the north or the south;
> Be gracious to us, O Earth; let not those find us who waylay people on the road;
> Take deadly weapons far away from us."

Mr. President, may I say how much I appreciate your invitation to me. In a world where crises so swiftly follow one another, it is important to keep in touch and exchange views even if one cannot agree on all points.

We have had, as you have just told us, discussions which have been important and useful to us and, I think, which have created better understanding. I thank you once again, and Mrs. Reagan, for your gracious hospitality, for this delightful evening in such elegant and impressive surroundings.

May I now ask you all, ladies and gentlemen, to join me in a toast to the health of

the President and the gracious First Lady, to the well-being of the American people, and to friendship between our two countries.

Note: The President spoke at 9:37 p.m. in the State Dining Room at the White House.

Statement on an Extension of the United States-Soviet Union Grain Sales Agreement
July 30, 1982

The U.S.-U.S.S.R. grain agreement, which has governed our grain trade with the Soviet Union since 1976, is due to expire September 30. After discussion in the Cabinet, I have authorized U.S. officials to explore the possibility with the Soviet Union of a 1-year extension of the existing grain agreement. I have further authorized them to explore in the consultations with the Soviets, normally conducted under the agreement, the possibility of additional grain sales to the Soviet Union.

In this decision, I have ruled out any negotiation of a new long-term agreement at this time. On December 29th, I postponed such negotiations until the Soviet Union indicates that it is prepared to permit the process of reconciliation in Poland to go forward and demonstrates this desire with deeds and not just words. My decision reinforces this objective. The Soviets should not be afforded the additional security of a new long-term grain agreement as long as repression continues in Poland.

At the same time, American farmers will not be made to bear alone the burdens of this policy toward the Soviet Union. In the spring of 1981, I lifted the grain embargo imposed by the previous administration, because it was not having the desired effect of seriously penalizing the U.S.S.R. for its brutal invasion and occupation of Afghanistan. Instead, alternative suppliers of this widely available commodity stepped in to make up for the grain which would have been normally supplied by U.S. farmers. These developments substantially undercut the tremendous sacrifices of our farmers, and I vowed at that time not to impose a grain embargo unilaterally unless it was part of a general cutoff of trade between the United States and the Soviet Union.

I renew that pledge to American farmers today. American farmers can be assured that they will continue to have a fair opportunity to export grain to the U.S.S.R. on a cash basis. Other suppliers, who sometimes criticize our grain sales, also supply grain to the Soviet Union. Grain sales have little impact on Soviet military and industrial capabilities. They absorb hard currency earnings and feed the people of the Soviet Union, who are suffering most from the disastrous economic policies of the Soviet Government.

Proclamation 4955—National Purple Heart Week, 1982
July 30, 1982

By the President of the United States of America

A Proclamation

Just 200 years ago, on August 7, 1782, General George Washington established the Honorary Badge of Distinction/Badge of Military Merit—which we now know as the Purple Heart—at Newburgh-on-Hudson.

When General Washington directed the creation of the Badge of Military Merit specifically to honor our lower-ranking soldiers,

he demonstrated a philosophy unheard of in contemporary Europe, which reserved military honors for officers and members of the nobility. Thus, our Nation's first military award recognized the spirit of voluntarism and selfless dedication of the average American which has been so fundamental to the American way of life ever since.

After the Revolutionary War, the Purple Heart fell into disuse but was revived in 1932 by President Herbert Hoover as an award to be presented to Army personnel who were wounded or killed in combat against an enemy of the United States. It later was authorized for Navy, Marine, and Coast Guard personnel, and, now, all armed services personnel as well as certain civilian nationals are eligible to receive it.

Countless Americans have been wounded in combat while defending our great Nation against armed enemies. Because of the nature of their injuries, these Purple Heart recipients bear their battle wounds for life. Many more have made the supreme sacrifice, giving their lives for their country.

It is most fitting that this special group of veterans be recognized for their outstanding contributions to our Nation's security. It is also most fitting that we recognize the bicentennial anniversary of the creation of the Purple Heart and the fiftieth anniversary of its reestablishment as well as the fiftieth anniversary of the establishment of the Military Order of the Purple Heart.

The Congress, by House Joint Resolution 526, has authorized and requested the President to proclaim the first week in August as National Purple Heart Week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate the week beginning August 1, 1982, as National Purple Heart Week. I call on all Americans to join in honoring Purple Heart recipients who have served and those who still serve our Nation with distinction.

In Witness Whereof, I have hereunto set my hand this 30th day of July in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 3:58 p.m., July 30, 1982*]

Proclamation 4956—National Hispanic Heritage Week, 1982
July 30, 1982

By the President of the United States of America

A Proclamation

Hispanic men and women have played a vital role in the development and progress of the United States, opening new frontiers and establishing missions and settlements that were the forerunners of some of our most important and thriving urban and cultural centers. Across the southern regions of our great country, from Florida to California, Hispanic explorers, pioneers, and settlers have helped to shape this vast land.

Since the time of our Revolution, when U.S. leaders shared with leaders in Latin America the common struggle of lifting the bonds of colonial rule, through the present, peoples of the Americas have shared great democratic ideals. In the words of Benito Juarez, a contemporary of Abraham Lincoln, "Respect for the rights of others, between individuals, as between nations, is the basis of peace." These words convey the essence of our laws and values, preserving the dignity and equality of all our people.

Hispanics continue to make significant and enduring contributions to our society, enriching us intellectually, spiritually, and culturally.

In times of peace, the accomplishments of these Americans in science, technology, politics, the arts, and other important fields have greatly enhanced our way of life. In times of war, Hispanic Americans have defended our nation with pride and courage.

Thirty-nine of them have received the Medal of Honor, America's highest military decoration. This is a higher proportion of such heroes than in any other group, and we salute their sacrifices and bravery.

As did earlier decades, the 1980s present Hispanic Americans with new opportunities to pursue their goals and advance our society. Like those before them today's Hispanic Americans meet their challenges and responsibilities with dignity and a creative spirit. Their energetic commitment to hard work and their determination to participate fully in the American Dream bring strength and inspiration to us all.

The Congress, by joint resolution approved September 17, 1968 (82 Stat. 848), authorized and requested the President to proclaim the week which includes September 15 and 16 as National Hispanic Heritage Week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning September 12, 1982, as National Hispanic Heritage Week in honor of Hispanic men and women. I call upon Federal, State, and local officials to observe the proud history of Hispanic peoples. I ask all Americans to join together in peace, brotherhood, and pride in being one Nation under God.

In Witness Whereof, I have hereunto set my hand this 30th day of July in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 3:59 p.m., July 30, 1982*]

Exchange With Reporters on the Situation in Lebanon
August 1, 1982

Q. Mr. President, what about the fighting in Israel? We've heard so much about the fighting in Israel. They have a cease-fire now, but there was terrible fighting over the weekend.

The President. Yes, and I've been in touch with our Ambassador all the time that I've been gone. And a resolution, as you know, has been adopted in the United Nations, which we supported, calling for a cease-fire that will stay. And I think it is absolutely imperative that this cease-fire, at this stage of the negotiations, must not be violated by anyone.

Q. Foreign Minister Shamir said that there was something happening in the negotiations, that we were close to a breakthrough. Are we?

The President. Well as I say, you know I don't comment on those things, only to say I think it's imperative that this cease-fire not be violated.

Q. Tomorrow, when you see Foreign Minister Shamir, is it time to get tough with Israel on breaking cease-fires?

The President. Let me say I'll be firm as I've just been here. Yes, this must be resolved, and the bloodshed must stop.

Q. Are you going to be tough with Shamir tomorrow? Is it time to get tough with Israel?

The President. If I answered it that way you'd say, "The President says he's going to get tough."

Q. I can say that?

The President. No. You can just say that we're going to have a very serious discussion, and I think they will understand exactly how we feel about this.

Q. Are you losing patience? Are you frustrated?

The President. I lost patience a long time ago.

Q. Must the PLO leave Lebanon, or just Beirut?

The President. I don't think there will really be a solution or the other forces leave Lebanon until the PLO does.

Q. They must leave Lebanon?

The President. Leave Lebanon, yes.

Q. [*Inaudible*]—think you're close to it?

The President. I said before that there have been times when there has been reason for optimism, and I almost feel as if I might jinx things if I gave any expression of that. But there has been progress made.

Q. Thank you.

Note: The exchange began at 4 p.m. at the South Portico of the White House as the President was returning from Camp David, Md.

White House Statement Following the Meeting Between the President and Minister of Foreign Affairs Yitzhak Shamir of Israel

August 2, 1982

The President met with Israeli Foreign Minister Shamir this morning. The focus of the discussion was Lebanon. The President reaffirmed his support for Ambassador Habib and his mission, which is based on the policies, expectations, and hopes of the Government of Lebanon. The President emphasized that an early diplomatic settlement of the current problem of west Beirut is the essential first step in ending the trauma of Lebanon, beginning the process for a better future for this ravaged country, and moving on to the broader peace process. The President stressed the need for a complete end by all parties to the hostilities in and around Beirut as a prerequisite to allow Ambassador Habib to pursue his urgent work. The world can no longer accept a situation of constantly escalating violence. The President highlighted the humanitarian needs of the large civilian population of west Beirut, with emphasis on the need to maintain essential services and to assure adequate supplies of food and medicines.

Note: Also present at the meeting in the Cabinet Room at the White House were the Vice President, Secretary of State George P. Shultz, Assistant to the President for National Security Affairs William P. Clark, U.S. Ambassador to Israel Samuel Lewis, Israeli Ambassador to the United States Moshe Arens, and other U.S. and Israeli officials.

Statement on Signing a Bill Amending the Federal Rules of Civil Procedure

August 2, 1982

I reluctantly am signing H.R. 6663, a bill delaying the effective date of amendments to rule 4 of the Federal Rules of Civil Procedure.

I sign this bill with reluctance because the United States Marshals Service needs prompt relief from the burden of serving process for private parties in civil actions, relief these amendments would provide. I understand, however, that time demands affecting Congress this year simply have not allowed it to complete timely review of these amendments. I am confident that Congress will promptly review these rule 4 amendments, as well as amendments to 28 U.S.C. § 569(b) and 1921 proposed by this administration, thereby providing a comprehensive solution to the problems associated with service of private process by the U.S. Marshals Service.

Note: As enacted, H.R. 6663 is Public Law 97-227, approved August 2.

Nomination of Edward A. Curran To Be Deputy Director of the Peace Corps

August 2, 1982

The President today announced his intention to nominate Edward A. Curran to be Deputy Director of the Peace Corps. He will succeed Everett Alvarez, Jr.

From October 7, 1981, until June 30, 1982, Mr. Curran was Director of the National Institute of Education at the Department of Education. Mr. Curran was an Associate Director in the Office of Presidential Personnel from February until August. He served on the Department of Education transition team. During the 1980 Presidential campaign, Mr. Curran was director of Professionals for Reagan-Bush. He served as headmaster of the National Cathedral School, Washington, D.C., from 1968 until 1980.

From 1957 to 1968, he was employed by St. John's School of Houston, Tex., as a teacher and dean of student affairs. In 1960 he established schools for children of American and national employees in Ecuador, Argentina, and Bolivia for Tennessee Gas Transmission Corp. From 1955 to 1957, Mr. Curran taught at Englewood School for Boys, Englewood, N.J., and acted as chairman of the Lower School.

Mr. Curran graduated from Yale University (B.A., 1955) and Duke University (M.A.T., 1968). He is married, has two children, and resides in Rock Hall, Md. He was born August 22, 1933, in North Adams, Mass.

Appointment of Helene von Damm as Assistant to the President for Presidential Personnel

August 2, 1982

The President today announced the appointment of Helene von Damm as Assistant to the President of the United States of America for Presidential Personnel. Mrs. von Damm, currently Deputy Assistant to the President and Director of Presidential Personnel, will succeed E. Pendleton James, who is returning to the private sector.

Mrs. von Damm has been associated with President Reagan since his first campaign for Governor in California in 1966. She has served him as personal secretary during his two terms as Governor, executive assistant during his business years, and as northeast regional finance director in the 1980 Presidential campaign. After the election, she worked with Mr. E. Pendleton James during the transition as Associate Director of Personnel and then joined the White House as Personal Secretary and Special Assistant to the President for the first 9 months.

She presently also serves as Member at Large to the United Service Organization World Board of Governors and acts as Chairman of their nominating committee. She is also a member of the President's Commission on Executive Exchange.

Helene von Damm was born and raised in Austria, where she received her formal education before immigrating to the United States in 1959. She is married to Byron Leeds, a New Jersey businessman.

Nomination of Nine Members of the National Museum Services Board

August 2, 1982

The President today announced his intention to nominate the following individuals to be members of the National Museum Services Board of the Institute of Museum Services, National Foundation on the Arts and the Humanities:

Elizabeth Helms Adams is active in civic and cultural activities in her community. She is married, has five children, and resides in Valley Center, Calif. She would succeed Mamie P. Clark.

Alice Wright Algood is chairman of the Tennessee State Museum Association in Nashville, Tenn. She is married, has two children, and resides in Columbia, Tenn. She would succeed Benjamin W. Hazard.

Anne Carroll Badham is a realtor with Town and Country Properties in Arlington, Va. She is married, has two children, and resides in Arlington, Va. She would succeed Nancy Negley.

Craig C. Black is director of the Carnegie Museum of Natural History. He is married, has two children, and resides in Pittsburgh, Pa. He would succeed Raul A. Lopez.

Ann Duncan Haffner is a former vice president of the Leadership Foundation, Inc. She has three children and resides in Alexandria, Va. She would succeed Lewis Davis.

Fucheng Richard Hsu is a consultant to cultural and educational foundations. He is married, has one child, and resides in Westfield, N.J. He would succeed Albert T. Klyberg.

Caroline H. Hume is vice president and member of the board of governors of the San Francisco Symphony and serves on the boards of the National Museum of American Art and the National Parks Foundation. She is married, has four children, and resides in San Francisco, Calif. She would succeed Dorothy Graham-Wheeler.

Dorothy J. Tyson is a partner of Darwin, Inc., in La Jolla, Calif. She is married, has four children, and resides in San Diego, Calif. She would succeed E. Leland Webber.

Liles B. Williams is vice president of administration of the Stuart C. Irby Co. in Jackson, Miss. He is married, has four children, and resides in Clinton, Miss. He would succeed John Connell.

Remarks at the Annual Convention of the National Corn Growers Association in Des Moines, Iowa

August 2, 1982

Well, for heavens sakes. Hello, and welcome. Is there an echo in here?[1]

You know, I was glad that Governor Ray told you about Nancy coming here. In the old days of vaudeville, the real feature act was always preceded by a lesser act—usually it was a trained animal act. So, here I am. [*Laughter*] But I do thank you very much.

Governor Ray and Senators Jepsen and Grassley, Congressmen Leach and Evans, President Mullins, distinguished members and guests:

It is a real pleasure to be here today. A little earlier I was talking with Senator Jepsen about the plight of the American farmer. Roger Jepsen knows and understands the needs and the problems of the farmer, and I can assure you that when Senator Jepsen hears something from the farm community, I hear about it. His counsel has been most helpful to me.

It does my spirit good to be among thousands of Americans from our heartland, people with faith in God, the United States, and themselves. And despite the doomcriers that are abroad in the land, I believe that most of America shares your faith. But there hasn't been enough recognition of the part that you play in the lives of all of us.

[1] *The President was reacting to incidents of both greeting and heckling from members of the audience.*

Not too long ago a new, young Congressman from the heart of our biggest city was placed on the agricultural committee of the House—not exactly a case of a round peg in a round hole. And his first contribution to the committee was a pronouncement that government should confiscate all food and divide it equally among all the people, because food was a natural resource belonging to everyone.

I was reminded of this when a group of Future Farmers of America visited me at the White House last week. They were a wonderful group of young people, as you well know. And I told them an old story along that line that maybe you know, but I'm going to tell it again, because life not only begins at 40, so does lumbago and the tendency to repeat yourself. [*Laughter*]

There was an old fellow that had taken over some land down in a creek bottom. It was covered with rocks and brush and was just pretty scrabbly, but he went to work on it. And he worked and he worked, and he cleared away the rocks and the scrub. And he cultivated, and he fertilized, and finally he had a garden that was his pride and joy. And one morning after Sunday services he asked the minister if he wouldn't like to come out that afternoon and see what he had done—this garden.

Well, the reverend arrived, and he was impressed. He looked at the melons, and he said, "I've never seen anything so big. The Lord has certainly blessed this land." And then he came to the corn, and he said, "It's the tallest corn I've ever seen." He said, "Bless the Lord." And he went on that way about everything he saw: tomatoes, squash, beans, everything. He was high in his praise of the Lord. And the old boy was getting pretty restive, standing there listening to all of this. And, finally, he said, "Reverend, I wish you could have seen this when the Lord was doing it by Himself." [*Laughter*]

With all the miracles of modern-day electronics, there is still no greater technological revolution than modern-day American farming. Today, in the United States, one farmer produces enough food to feed himself and 77 other people—52 Americans and 26 people abroad. Our food and agricultural system is the most productive in the world and accounts for the foundation of 24 million American jobs—almost one-fifth of our nation's total work force.

I've come to tell you that there is a gratitude throughout this country for the work you do, and a sensitivity to the burdens you bear. It was Thomas Jefferson who once said that "farmers were God's chosen people." Right now, you must be asking, well, chosen for what?

As one farmer wrote to me—he said, "Things are not good down on the farm in 1982, Mr. President." He cited an advertisement in an Iowa paper for a farmhand. There were 140 responses in 2 days, some from people who had been forced to give up their own family farms. A woman wrote me about the day she watched her father-in-law try to auction his land to pay debts, but none of their neighbors could afford to buy. And as she wrote, she said, "I sat there and watched a proud, old man on the brink of tears."

Another—and this shows the spirit out here—had a note on top. It was addressed: "To the aide opening this letter." She said, "I didn't vote for you, I voted for Ronald Reagan, and I want him to read this letter." [*Laughter*] And I read it. And the lady said, "I'm a farm wife, 60 years old. Not too well educated, but it doesn't take too smart a person to see and feel what is going on." She said, "I know you have lots of things to do and decide, but have you ever stopped and thought about the farmer? Stop and think; can a farmer pay 75 to 100 thousand dollars for a combine? Can he pay triple for any machinery? Can he pay the price for fertilizer, seed, you name it, and sell corn, wheat, and soybeans for the price they are today?" She said, "That because farmers, just because they aren't out carrying strike signs or tearing something up, doesn't mean they're not hurting. What farmers want," she said, "is a fair price so that they can pay their bills and feed their families."

She was only wrong about one thing, that maybe I hadn't had time to think about farmers. The farmers of America are very much on my mind.

President Eisenhower once said that without a prosperous agriculture, there is no prosperity in America. He was right. A central goal of this administration is to

return profitability and open new markets, especially international ones, to this country's farm sector.

Because of your efficiency and the abundance produced on America's farms, we need world markets. The harvest from 2 out of every 5 acres of cropland is sold abroad. You depend on international markets for the sale of more than 60 percent of your wheat and rice, half of your soybeans and cotton, and a third of your corn and feed grains. In 1970 we exported $7 billion worth of agricultural products. Last year we shipped abroad more than $43 billion worth of products. These exports account for about a quarter of all farm income.

While essential to our U.S. balance of trade, offsetting big trade deficits in other goods, the future of farming has become dependent on maintaining and expanding foreign markets for U.S. food and fiber products. During the 1980 campaign, in a speech I made not too far from here, I promised my personal support for expanding our agricultural exports. And that pledge remains a priority commitment today.

We're vigorously challenging the use of foreign government—or by foreign governments, I should say, of export subsidies in agricultural areas, such as wheat flour, poultry, sugar, and pasta. We have a united front in this effort. The Departments of Agriculture, State, Treasury, Commerce, and the U.S. Trade Representative have spoken with one voice against unfair trade practices. We will continue to speak with this united voice as we pursue every legitimate means of protecting our farmers from unfair competition.

We have moved up by 6 months the scheduled negotiations with Japan on citrus and beef. So far, we have dispatched trade teams to 23 nations in Europe, Africa and Latin America, the Middle East and the Far East. Partly because of these teams, we expect to ship more grain to Brazil and Morocco and to maintain near record grain exports to the People's Republic of China.

In these efforts we do not challenge the right of any country to exploit its agricultural assets and to provide a decent life for its farmers and rural communities. We only ask for fair competition and for adequate rules to govern trade in agricultural products.

At the GATT Ministerial Conference this fall, we will propose bringing agriculture under its liberalizing influence, an influence that has transformed trade in manufactured goods and unleashed an unparalleled period of growth and prosperity in the postwar world. I am committed to more open agricultural markets in all countries. I challenge other countries, particularly our friends in Europe and Japan, to match this commitment.

But the commitment I'm most proud to have kept has been mentioned here already by your Governor, and that was a more normal grain trading relationship with the Soviet Union, lifting the last administration's grain embargo.

The lingering effects of that grain embargo are still hanging over the markets, and our nation's farmers are still suffering from those low prices. We had 70 percent of the Soviet market when the embargo was imposed. That fell to 25 percent during the embargo. At the same time, our competitors took advantage of this market that the last administration threw away. Well, we've restored to the American farmer a fair opportunity to export grain to the U.S.S.R. on a cash basis. We have already begun that difficult road.

After lifting the embargo, we offered the Soviets an additional 15 million metric tons of grain beyond the original 8 million metric tons. Our efforts on behalf of the farmers suffered a setback, however, with the iron repression of the proud people of Poland. When martial law was declared in that country, U.S. officials were developing a negotiating position on a new long-term grain agreement with the U.S.S.R. After the Soviet Union ignored our calls to aid restoration of basic human rights in Poland, we had no choice but to impose a number of sanctions against both countries, including postponement of negotiations on a long-term trade agreement with the Soviet Union.

There is still no cause to celebrate in Poland. I am, however, somewhat encouraged by indications martial law may be relaxing. We'll continue to watch developments there in the hope that life will im-

prove for the Poles and sanctions can be removed. In the meantime we will explore a 1-year extension of the current long-term grain agreement with the Soviet Union. I have also authorized the Secretary of Agriculture to consult with the Soviets on the subject of additional grain sales beyond the minimum purchase requirements of the current agreement.

The extension would have the sanctity of a contract, ensuring U.S. farmers access to the Soviet market. Just last week, the importance of this was brought home to me by the Governor of a great agricultural State, your neighbor Governor Charles Thone of Nebraska. As Governor Thone said——[*applause*]. Somebody's here from Nebraska. As Governor Thone said, there must be no question about our respect for contracts. We must restore confidence in U.S. reliability as a supplier. An agreement would, also, protect Americans from possible Soviet disruption of our domestic market.

Indications are that we'll sell a record volume of grain to the Soviet Union this year. With the extension that we're now exploring, we'll be able to sell large quantities during the next year. In other words, the granary door is open, and the exchange will be cash on the barrelhead.

Last March, I outlined this administration's agricultural trade doctrine Jack Block mentioned to you. There will be no restrictions on farm products proposed because of rising farm prices. Farm exports will not be singled out as an instrument of foreign policy and can be used only as a part of a trade embargo if it is broad and supported by other nations across the board in a situation that would be so serious as to cause this action.

We believe world markets must be freed of trade barriers and unfair trade practices. At home and abroad, we're committed to assuring the American farmer a market that will reward his investment and work, and not punish him for his incomparable success.

A farmer told me once that, as a rule-of-thumb, today you risk all that you've acquired through most of a lifetime to plant a crop. The American farmer is a bigger risk-taker than Evel Knievel. Yet, the only request that the farmer has is to have the opportunity to compete on a fair and even-handed basis on the market.

You know, I can't resist saying something else here, that I once had the pleasure of saying in Las Vegas, Nevada, to one of those fellows who was there for the usual sport that takes place in that town. I was there because of a meeting of a farm group. And he was a little disparaging in his remarks as what did farmers have to do being around Las Vegas. And I told him—I couldn't resist; that was too good a straight line—I said, "Farmers are in a business that makes a Las Vegas crap table look like a guaranteed annual income." [*Laughter*]

That cornmeal on the grocery shelves, those soybean products, the steak, milk, bacon, and a myriad of other goods do not mysteriously show up in supermarkets. They were produced at the cost of your sweat and the ache in your back. Most are grown or raised right here in this rich, Midwestern soil. You are among the most industrious people anywhere. And you've been carrying an extraordinary burden for the Nation and the world.

This administration is dedicated to bringing you relief. We believe the unbearable interest rates, the suffocating inflation, the recession that has gripped our land for too many months was brought about by government leaders who for too long were afraid to trust the American people. They were caused by 40 years of taxing and spending, by disintegrating faith caused by abandoned promises, and by a reckless course of fiscal insanity that had us careening toward catastrophe. But our goal is to be able to say, "Those days are over."

I am proud to report to you, the American people, that the government will no longer forget its fundamental purpose: to be the servant of the people, not your master.

You're in charge now. It's your money that is being taxed. It's your property being assessed, your resources that have been raided by Washington. You have demanded a reduction in the size of government. Well, we have cut its rate of growth nearly in half. And we're just beginning. You've demanded that government live within its means. We're pushing hard for an amend-

ment to the Constitution to balance the budget.

You've called for a reduction in repressive tax rates. We passed and are fighting to keep the largest tax cut in American history, but a tax cut that only barely offsets the tax increases already built into the system.

A great American philosopher has written that "a timid man listening to alarmists in Congress and in the newspapers might easily believe that he and his country have seen their best days. And he hardens himself the best he can against the coming ruin. But after this has been foretold," he said, "with equal confidence 50 times, he discovers enormous elements of strength which are here in play." He said, "We think our civilization near its meridian, but we are yet only at the cock-crowing and the morning star." Well, those words by that philosopher, those were words by Ralph Waldo Emerson, and they're as true today as when he wrote them more than a hundred years ago.

You know, shortly after World War II, I found myself in England. It was during the Christmas season, but I was there to make a picture. It was my first time abroad, and on weekends, wanting to see something of the land, I'd hire a car and driver, and I'd go sightseeing out in the English countryside. And I told the driver I wanted to see some of the old historic places that I'd heard about and been told about—pubs and inns that were centuries old, just the same as they had been for all those centuries.

Toward the end of one such day we stopped at a pub; it was getting twilight. The driver apologized because this one was only 400 years old—he called it one of the younger ones. The proprietors and the only two people working in the place were an elderly couple, very tiny. And the rather motherly looking lady who was serving us after a while said—perhaps overhearing us talk—said, "You're American, aren't you?" Well, I allowed as how I was, and she said, "Oh, there were a lot of your chaps staged just down the road here during the war."

She said, "They used to come in here all the time in the evenings and have songfests." She said, "They called me Mom, and they called the old man Pop." And as she went on her voice was softening, and she wasn't looking at me anymore; she was looking kind of beyond into her memories. Her eyes were beginning to fill. And then she said, "It was Christmas Eve. The old man and me were here all alone. And all of a sudden the door burst open, and in they came with presents for the both of us." And the tears now had overflowed and were on her cheeks. And she said, "Big strappin' lads they was from a place called Ioway." By this time my eyes were a little filled also.

Maybe some of those big strappin' lads she remembered are in this room. Well, neither those big strappin' lads nor their children nor their children's children ever needed government to tell them how to bring food for a hungry world from the blue-black soil of this heartland. Here in the land where the West begins and the State where the tall corn grows are the seeds of our national renewal. Within our people is the strength, the vision, and the faith that will return prosperity to America. We need only to believe in our own ability to make it happen.

On behalf of all Americans I thank you for keeping up the struggle. We have a long way to go before we set this country to rights, but God has blessed us with a strong spirit and a rich land. With His help and with yours, I know we can do it.

Thank you very much.

Note: The President spoke at 2:15 p.m. in the Veterans Memorial Auditorium.

Question-and-Answer Session with Farmers in State Center, Iowa
August 2, 1982

Secretary of Agriculture Block. Want to give me your attention here? Can you hear all right back there and at all the tables here? Can you hear?

Very quickly, I'm going to—I'm not going to spend a lot of time talking. It's my great pleasure to make the introduction that I'm going to make. I'm going to introduce to you your featured guest here today.

I just want to tell you just very quickly that you're going to be hearing from and talking with someone that I've found in a year and a half to be a—he really thinks he's a farmer-rancher. And I'm not going to quarrel with that. The President has a very warm spot for agriculture, and he has an open mind and promotes and supports the industry. Then the occasions we have talked about the problems we face are unlimited.

And it's just a pleasure for me to have the privilege of introducing the President to you today to talk to him.

Mr. President.

The President. If you're going to stop talking, I've got to stop eating this wonderful homemade ice cream. [*Laughter*]

Secretary Block. It's my turn now.

The President. No—maybe we'll have a rule that everybody can talk while they're eating. [*Laughter*]

Well, I appreciate that and what Jack said, and it is true that in a way, in a sense at least I'm in the countryside. Some years ago, while I was still in the picture business, I started ranching and running grazer cattle. But the main purpose was, I was raising horses for the market and selling.

Now, remember—you wouldn't think that in that kind of part-time farming while I was doing the other that you could learn anything about the problems of the farm, but I did learn some, because I got all carried away one day and thought, "Wouldn't it be wonderful if we could put in some chickens and have our own eggs and be able to—the morning at breakfast, be eating our own eggs." And I did. And I figured out that it only cost me about $1.65 an egg—[*laughter*]—to do that.

But I don't know whether—oh, thank you—whether any of you heard any of the speech. I've just finished making a speech down there at the—well, then you know something of the main issues that we spoke about, so I won't make you listen twice to any of those things.

So, maybe far better than us—than me just trying to talk would be a dialog in which—there must have been some times when you said, "If I could say to him—" or, "If I could ask him—" [*Laughter*] Now, there might be some of the things you wouldn't want to repeat here. But there must have been some also that you could. So, here surrounded by the press——

Yes.

Dairy Products

Q. Mr. President, you just talked about sending the exports of grain to Russia for another year. Maybe you've heard there's a few surplus dairy products. How about selling all the dairy products to Russia, too?

The President. We have been trying and working with the dairy products, as you know, to dispose of them in a number of ways.

We have been—there are certain rules and regulations under the law that prevent us from—even though we—the government has had to store them, had to buy them and store them to keep the government from going out into competition in the market, because then you'd just increase the same problem that made you buy the surplus in the first place. So, we have to be very selective as to how we do it.

One of the ways has been the disposition we've made to people who could not otherwise have them, who couldn't afford them.

Jack, maybe you know more about it than I do. I don't believe that we could just go out into the export market and sell that way, could we?

Secretary Block. We run into a problem if we take them and put them right into the market, because if it disrupts the world market, these dairy products have to be

sold at below the cost to the government, because world prices are below the price that we paid for them. And we would be charged by—under the GATT rules of trade—with disrupting the world market and could get into—get all kinds of trouble for doing it. And we're complaining at the European Community for doing some of those very things, and it just kind of cuts the legs out from under us. So, we'll have to be selective as we dispose of these products.

And what we have said if we can get legislation which will bring this mounting surplus under control, then I think we'll have the credibility by working with other dairy-producing countries to go into the world market and selectively move this product wherever it might be.

I think you are aware we did dispose of some to New Zealand, that went ahead and sold butter and products—I don't know where, probably some of it to the Soviet Union.

So, we're going to try and work it out. The dairy problem is a very serious problem for us and, I know, for the dairy industry. Government got you into the trouble. You know, it wasn't the dairy farmer. It was the government that did it.

Export Contracts

Q. Mr. President, in your speech you mentioned contract sanctity, and, does that apply to all grain contracts to other people or just to the 6 million tons that—6 to 8 million tons that you—[*inaudible*]—the Russians?

The President. What I had in mind mainly was that the embargo that was put on with regard to the Afghanistan conflict has shaken faith in our neighbors throughout the world as to whether we're reliable or not as a supplier. And so, we feel very definitely that this is a problem that we must meet now in these negotiations that are going on, that we restore that faith in us that if we've made a deal or a contract, it'll be a contract, and we'll keep it.

Production of Ethanol

Q. Mr. President, in the interest of national security, and the farm economy, has your administration given more thought to development of the ethanol alcohol industry as a means of helping—not only help the farm economy but also in the interest of national security?

The President. There are several things that are problems with that. One is the fact that it now develops that as the prices have leveled off, ethanol cannot be produced at a cost that is competitive with gasoline itself. That is one.

The second issue is, counting the very fact of raising the grain and so forth, unless you switch to such things as using garbage and waste to produce the same product, you actually use more energy than you get back in the ethanol that you produce. And both of these have slowed that down quite considerably.

Secretary Block. Let me add, Bob, though, to answer your question, this administration is not going to interfere with the development of ethanol. We have a four-step, gas tax exemption, and that stays in place. That is in place. And if it can economically be produced, the free enterprise system will see it happen. And that's the way it should be.

Q. Thank you.

Q. Just to follow up it, Mr. President. You know the rationale, it takes more energy to produce a gallon of alcohol than you get out of it. It certainly would apply, also, to diesel fuel and to every other refined fuel, if you were to judge it on that basis. So, we often hear that as a criticism of the ethanol alcohol industry. But I think it should also be remembered that the price of refining a gallon of diesel fuel, even kerosene and lower refined products—the amount of energy used in that refinery system is a great deal more than the energy you get out of that gallon.

Interest Rates

Q. Mr. President, one thing you didn't mention in your speech was interest rates. And John Deere just unveiled their new line of tractors down there. And I don't know how, at present interest rates, we're going to be able to afford to buy—at present prices and interest rates.

The President. Well, let's not forget or fail to realize—I think the thing that brought on the recession were interest rates. I think

they are the things that are holding it up. We had thought that—well, let me go back and give you just a little history on this.

In 1980, in the usual way that we've treated recessions before, and then every recession was followed by another one, the money supply was increased at the highest rate it had ever been increased in our history—13 percent. And, if you look at it on a chart, it zoomed up there in a peak during that last 6 months of 1980. But with it went 21½-percent interest rates. And with it also went the second year of double-digit inflation to, when we took office, about 12.4. And we know that the other great problem of a recession had been going on, really, since 1977—the decline in employment, increase in unemployment.

Now, when they tried to pull down from that peak—and this is what we came into—they had pulled the money supply down way below even their own path that they have, that kind of a track that they have that the money supply should travel on to keep up with the economy. And, for the first 6 or 7 months that we were there, the money supply was way down here. And the result was the recession.

Now, we have brought—and I'm happy to say, when only a couple of days ago, I had to say 16 percent—we've brought the interest rates from 21½—they're down to 16 now—or 15 now. Twice in less than 2 weeks, we've had two drops in the Federal Reserve's discount rate, each of which has been followed—as you know, this morning there was another half-point drop from that 15½ to 15 in the prime rate. Our own Treasury notes, 90-day notes—the last issue out were 10.7. A week before, they had been at 12. And a year ago, they were at 15½.

And the other day—I like to get the papers like the Washington Post and turn to the real estate section on the weekend, when they have all the big real estate ads. And I am counting a little bit on competition, also helping with this, because I saw where some of the great housing developments and the condominium developments are trying to sell off. The mortgage rates—some were boasting they were down to 13 percent. You turned the page, and there were some down there at 10.7 percent, and some of them at 11 percent. Well, pretty soon, they've got to come down and match that competition. I think that we are going to—not as fast as we'd like—but we are going to see a decline.

No question but that the business that you're in has been caught worse in the cost-price squeeze than virtually any other business. What happened in the two other major industries—housing and automobiles—was, of course, their product is sold on a mortgage basis. People buy their cars paying over a period of time and paying interest. And both of those suffered.

I don't know whether you've learned that, around the country in a number of places, there have been local banks, and they've gotten together, and they have put up sums of money. It started with a bank in Indiana. They put up a sum of money, a set sum. And they advertised that as long as that money lasts, it can be borrowed, in that instance, for automobile purchases only at an interest rate several points below the going rate. And the rush was so immediate—then a whole group of banks did it in Ohio and around the country. And now it has spread to where there are banks doing the same thing with regard to home mortgages. And I think the signs are all there, that there is that thing that we've been waiting for out there. It isn't going to happen the day after tomorrow. But it is there.

The first time in several years, real income is up 4 percent. Since last January, retail sales are increasing at a 12-percent rate. And, as we've said, the interest rates are doing it.

Inflation—we had thought inflation alone—because that's one of the things that brings up interest rates. If you've got to loan money and there's a high inflation rate, you have to get back enough in interest to make up for the value your dollar's losing, and then make your interest on top of it. Well, that 12.4-percent interest rate is running, for the last 6 months, at less than half that. And we think that we've got a handle on it, and it's going to keep going down.

We think if we make the mistake of going back to the things that our opponents

would go back to—the artificial stimulant, the phony inflation of money, the quick fix—we would see interest rates go back up.

I know I've been talking too long on this question, and there's others that want to ask. But I just have to tell you one thing. When I told you that I understood some of your problems—I've got a Ford tractor on my ranch that I bought secondhand way back in the fifties. It was a 1953 tractor. And I bought it for $1,200. And it serves the purpose for the kind of farming I'm doing; except that now, on the ranch we have, there are a lot of rocks I'd like to move. And, every once in a while, I moan that I don't have a skiploader on it.

So, Nancy happened to be the dinner partner, one night, of a gentleman who's an official with a tractor company. And she was telling him about this. "Well," he said, "that's ridiculous. He ought to have the kind of tractor that he needs and wants." He said, "I'm going to send a man, and he'll make you a good deal on that old tractor. Don't you worry." And the man came up, and he did.

You know, more than 25 years ago I spent $1,200 for that tractor. And he's willing to give me $4,000 on it in trade. And then all I've got to do is give him $13,000 more—[*laughter*]—and I could have a new tractor. So, we're still using the old tractor.

Grain Storage Facilities

Q. Mr. President, I am tenant farmer. And I was wondering if you couldn't do something now—we want to seal corn and put it in the reserve. But, now, being a tenant farmer, we are kind of screwed-up there on getting some kind of loan for facilities. And I wonder if there couldn't be something done along that line to help us.

The President. Would you like to——

Secretary Block. Yeah, let me help you with that one.

The President. I'm going to let my right-hand man here——

Secretary Block. In the first place, you don't own the land that you're on, right? So, you can't get money to build grain storage on it. And what you want is a guaranteed loan or a direct loan from ASC—CCC loan of some kind. I don't know if there's anything we could do on that that I know of. I'll check into it, but I would say that you might have to look at private lenders if you can't—if you could get one of them to go with you. You might have to have some kind of an agreement, but putting your own storage on somebody else's land, or maybe there's some kind of temporary storage, I think you might be able to get that done some way.

Q. I don't know if you know it, but like 47 percent of all the land in Iowa is rented by someone other than the owners. So, that's quite a problem.

Secretary Block. Maybe you could talk the owner into building it. Well, you might. [*Laughter*] It does happen.

Humane Treatment of Animals

Q. Mr. President, in view of the very fine facilities and practices that the Dee's have here in this operation—I am a pork producer myself and operate similar practices like this and facilities—what would your thoughts be in regard to legislation that would restrict this type of facilities and operations like this, such as the animal welfare that we are seeing in existence now?

The President. Well, now, when we were seeing this you mentioned something about that, and I guess it didn't register on me that this was maybe something new as a problem. I knew at the time when you said it that it sounded a little strange to me. I couldn't remember such a thing being a problem for farmers. What is this? Is this new regulations and so forth that are now——

Q. I don't think there's any regulations as such, but there is interest for legislation to be adopted sometime in the future. And we're just trying to warn off those types of things that might happen to us as producers. We think we're treating the livestock in a very good, humane—giving them all the comforts and everything. But there's other people that think that they need the more natural habitats, I guess, and that would be more natural to them. So, this is one of our concerns as a producer, not only as a pork producer but as veal and poultry and other types of operations that have confinement or this sort of thing.

The President. Do you mean those same

kind of "bug-and-bunny" people that think that the pig would be happier running around in a field and——

Q. Are you familiar with the Mottl bill?

The President. No.

Secretary Block. I'd just say that—I really—I'm convinced and I know the President—you know, if this is really a big issue, I mean, if it was a huge issue, we would have really been talking about it. But I just don't see it that way. For producers to make money raising livestock, the livestock must be healthy; they must be well cared for; they must be content; they need to be happy, or they're not going to do well. And, after all, that's all you can ask in terms of humane treatment to livestock. And the good producers all have to do that anyway. It's just—it's part of the economics of raising livestock. So, in the long run I just don't see it as a big issue.

I know that there may be cases somewhere where animals aren't treated properly. There are. We all know that. But none of us condone that, I mean, as producers. But I think having heavy government regulations or restrictions would not be appropriate. You know, the normal economics are going to make us do a good job.

The President. I want you to know this, just one thing. The reason I asked about regulations is we've set up a task force with George Bush heading it up. I came with one promise to government, among others, and one was to start getting rid of the regulations that were imposing a blizzard of paperwork on everyone in this country. And I'm happy to tell you right now that while it's a long, slow job—you can't just say, do away with that regulation; got them pretty well entrenched—but George's task force has done enough that right now we have eliminated 200 million man-hours of labor filling out paperwork, with what he's been able to get rid of so far.

So, we will—and we have vastly reduced any flow of new regulations. The *Federal Register,* which lists all the regulations, has 23,000 fewer pages than it did before we got here.

Q. I hate to expound on this——

Mr. Dee. We know, Mr. President, you're in a hurry. We appreciate your coming.

The President. I am? [*Laughter*]

Mr. Dee. Okay.

The President. No, I know I am. I know. I'm sorry.

Q. I would like to add one thing. Last January it was a pleasure to go down and take care of those two buildings. It's a pleasure this afternoon likewise.

The President. Well, thank you very much.

Let's just take that last question there. I know that I have to go. It ain't right, and you've been very kind to me. [*Laughter*]

Q. Mr. President, this isn't a question. It's a statement on animal rights. There's no regulations as such now, but it's something that's working in the background. We have many, many people in the big cities that are putting money in it by the millions of dollars and are going to start lobbying. And I think it's something to look out for in the future. And I would hope that Mr. Block would stay on it real tight. I'm sure Mr. Grassley will. Thank you.

Q. One comment. You get all the blame for everything, but we're sure happy with $60 hogs, if you want to take a little credit back.

Q. So am I.

The President. Oh, right. You know, with some of those people—and we will be on guard. And I know that Jack will be watching for it with some of those other people.

Note: The question-and-answer session began at 3:36 p.m. outside the home of Allan and Eric Dee, and their father, Donald Dee, who own and operate the farm the President was visiting. Prior to his remarks, the President toured the farm with the Dee's.

Following his visit to the farm, the President returned to Des Moines and went to the Des Moines Marriott Hotel, where he met with executive officers of the Iowa Farm Bureau. He remained at the hotel overnight.

Remarks at the Centennial Meeting of the Supreme Council of the Knights of Columbus in Hartford, Connecticut

August 3, 1982

Supreme Knight Dechant, I thank you for those very generous words.

Your Eminence Cardinal Casaroli, Your Eminences, Excellencies, reverend clergy, members of the Knights of Columbus, and the guests here today:

I want to begin by saying how grateful I am that you've asked me here to participate in the celebration of the 100th anniversary of the Knights of Columbus.

Now, it isn't true that I was present at the first anniversary. [*Laughter*] But a few years back, when I was a Governor, I was privileged to be a Chubb Fellow at Yale University, and I was staying just around the corner in those few days from a sturdy-looking stone church where the events that bring us here today first began. It was there in the basement of St. Mary's Church on Hillhouse Avenue that Father McGivney and a few dedicated parishioners started an organization that would grow beyond any of their imaginings.

Today, the spires of a great university can still be seen on the New Haven skyline, but there is another dominant presence: four huge towers of the national headquarters of the Knights of Columbus, a group that has grown to over 1.3 million members and comprises the largest Catholic fraternal society in the world.

Much has happened to Father McGivney's dream since 1882, and much good has flowed from that church basement on Hillhouse Avenue. The Knights of Columbus is unrivaled in its dedication to family, community, country, and church. And your corporal and spiritual works of mercy for those in need are both a legend and an example to your countrymen. In the single year of 1981, you made in charitable contributions more than $41 million and, even more important, devoted more than 10 million hours in community service.

As important as your works of charity are, however, you have also maintained individually and corporately your stalwart faith in religious and family values. Through activities such as the Catholic Information Service, you've stood unhesitatingly for these values. And that's why, for example, in the 1920's, long before the cause was taken up by others, you were earnestly working for an end to racial and ethnic prejudice in America, fighting for justice for blacks and for Jews as well as for Catholics. And today you bring this same fervor to your work on behalf of the American family and your religious values. In doing so you provide inspiration to a world seeking desperately to find men who can make the message of the Gospel a reality in their lives and times.

During those early twenties a motion picture, a movie, revolutionized motion picture making. It was an historic milestone in the technology of that industry—D. W. Griffith's "Birth of a Nation." Well, that picture came to our town—I was just a boy—but my father, who was a Knight, said it was a picture about the Ku Klux Klan, and we would not see it. Well, to this day, and after more than a quarter of a century in that motion picture industry, I still have never seen it and have no intention of seeing it.

During the last campaign I spoke frequently of these crucial values of family, work, neighborhood, religion, and personal freedom. Now, some pundits claim that this was an attempt to appeal to various ethnic or religious voting blocs. I saw it as a simple recognition of the values that most Americans, whatever their ethnic, racial, or religious heritage, hold dear.

Now, in pointing out this tendency of some commentators to focus on only the immediate or the political, I don't mean to sound too critical. Actually the American press does a remarkable job of piecing together quite clearly, and sometimes in a matter of hours or minutes, the dizzying events of this modern world. Yet I think the very speed of this process can oftentimes cloud the understanding and serve as an obstacle to good judgment and historical perspective.

It would have been hard, for example, for any reporter covering those first meetings of the Knights of Columbus in St. Mary's basement to have sensed the potential importance of Father McGivney and his small band of Catholic laymen. But as the history of the Knights of Columbus has proven, discussions of our basic values are a vital part of our national political dialog, for it's only in these values, only in the faith that sees beyond the here and now, that we find the rationale for our own daring notions about the inalienable rights of free men and women.

This faith in the dignity of the individual under God is the foundation for the whole American political experiment. It is central to our national politics. Our first President put it very well. He said, "Of all the dispositions and habits which lead to political prosperity," Washington said, "religion and morality are indispensable supports." And, incidentally, to those who suggest that the two could be separated, he further pointed out that morality could not really be sustained or widely observed without religion.

There can be no freedom without order, and there is no order without virtue. Now, that's a simple enough formulation, but it's an insight found not only in the writings of Founding Fathers like Washington or great political thinkers like Edmund Burke; it is also found in a great part of our Judeo-Christian tradition—notably in the modern encyclicals of Popes Leo XIII and John Paul II. Yet how often this simple truth, the importance of this belief in basic values, is overlooked in a society of high technology and mass communication and bewildering, everyday events.

I guess what I'm trying to say was put very well by that great Catholic essayist G. K. Chesterton when he warned about the modern habit of those who try to put the heavens in their heads rather than their heads in the heavens. Or as Alfred North Whitehead observed, "There is a danger in clarity, the danger of overlooking the subtleties of truth."

Those subtleties of truth—the belief in the importance of the family, of community and church—the realization that the Western ideas of freedom and democracy spring directly from the Judeo-Christian religious experience—are not often publicly discussed. Yet they——

Every place I go lately there's an echo.[1] [*Laughter*]

These things that are publicly discussed still remain the foundation for our concepts of social justice, our political system, our very way of life. They are the values that ennoble man, making him something more than just the plaything of hedonism or the vassal of dictatorship; they entitle him to personal dignity and to the individual liberty and representative government that dignity enjoins.

Now, perhaps some of you remember that just a few years ago these basic values were being forgotten in the highest levels of our government. Indeed, the machinery of government at times actively opposed them. Government intrusion into the life of the family and the local neighborhood—federally financed abortions, forced busing, HEW regulations and rules on many matters that government had no business dealing with—had reached unparalleled heights.

In a similar vein, the prerogatives of local communities and State governments were slowly being eroded as more and more decisions were made in Washington, and government grew ever more distant and beyond control of the people. Federal spending sent inflation skyrocketing and the tax burden increasing to the point where rewards for honest work and extra initiative were evaporating.

It is this latter problem that we had to confront when we came to Washington 18 months ago. In the last 10 years, Federal spending had tripled. In the last 5 years, Federal taxes had doubled. The philosophy of government seemed to be tax and tax, spend and spend. Now, no one can quarrel with the motive behind all this. It was well-intentioned and done in the name of humanity. The budget for the Department of Health and Human Services became the third largest budget in the world, right after the entire national budgets of the United States and the Soviet Union. The Federal debt reached $1 trillion, and our

[1] *The President was referring to heckling from a member of the audience.*

interest payments on that debt, in the range of a hundred billion dollars, are more than the entire Federal budget of about 20 years ago.

You know, I have to stop and interject here that, as I said before, this was all done with the best of intentions, all of this was designed to help. But when you set out to help, you'd better have a pretty good idea of what you're doing.

You know, there was a fellow riding a bicycle one cold winter day—motorcycle, I should say. The wind coming in through the buttons of his leather jacket were chilling him, and finally he stopped, turned the jacket around, put it on backwards, took off again. Well, that solved the wind problem, but he hit a patch of ice; his arms were kind of restricted; he skidded into a tree. And when the police got there and elbowed their way through the crowd that had gathered and they said, "What happened?" They said, "We don't know. When we got here, he seemed to be all right. But by the time we had his head turned around straight, he was dead." [*Laughter*]

Well, since we've been in Washington, we've tried and, I believe, have brought an historic change to Washington. I can assure you we've replaced that old doctrine of tax and tax, spend and spend with a new philosophy that says that there is one overriding cause for our economic troubles: Government is too big, and it spends too much money.

Now, I know that you've heard and read a variety of accounts almost every day of what we're trying to do, many of them quoting unnamed but highly placed sources in the White House. Now, I wonder if you'd put up with another account, this time from a highly placed source who doesn't mind if you know his name. [*Laughter*]

To begin with, what we call our economic recovery program has already cut the rate of growth in Federal spending nearly in half. And it has already cut away billions in taxes for individuals and businesses. And, for the first time in history, taxes are going to be indexed to the rate of inflation, a reform that takes away government's hidden profit from inflation.

We have cut through the growing thicket of Federal regulations that was stifling business and industrial growth. Vice President Bush heads up a task force that deals with this. And already we've made savings of nearly $6 billion annually, just in changing regulations. And this year alone, there will be 200 million fewer man-hours of paperwork imposed on American citizens.

Our economic recovery program has been in effect for only 10 months, but its impact has already been felt. Last quarter's rise in the gross national product is an encouraging sign. Our dollar is stronger than it's been in 10 years. Inflation, which a little more than a year ago was the number one economic concern of most Americans, has taken an impressive turn for the better and, in the last 6 months, has run at less than half of what it was in 1980. And we're going to keep it going down.

We brought to individual Americans the first comprehensive tax cut they've had since John F. Kennedy's tax cut 20 years ago. And, incidentally, some of the critics of ours were criticizing him then for trying to do what he did.

We said we were going to cut spending, reduce the tax burden, rebuild our national defenses, strive for legitimate arms reductions, and be firm with totalitarian powers. And I believe the record shows we have kept those promises. But our promises about working to clean up the Federal fiscal mess and cut the size of government were not made just in order to get the economy moving again, as important as that is. Government can't interfere with economic freedom without restricting the political and personal freedom of individual Americans. That's what we mean to restore.

John Stuart Mill put it very well: "A state which dwarfs its men, in order that they may be more docile instruments in its hands even for beneficent purposes, will find that with small men no great thing can really be accomplished." The instrusive hand of government can only hinder creativity, stultify growth, and suffocate enterprise, initiative, and diversity. Our goal is to take government out of areas where it does not belong so that it can properly perform its traditional and legitimate functions.

That's why we support and endorse a program of tuition tax credits, so that our

independent schools and our country as a whole will prosper. We need diversity and excellence. As economist Thomas Sowell has suggested, these tuition tax credits are especially important "to those who are mentioned the least: the poor and the working class." As the cost of education has skyrocketed, it is these groups that have been particularly hard hit by the double burden of supporting private and public schools.

And let me add here that far from being a threat to the public school system, these tax credits will serve only to raise the standards of the competing school systems. As a New York Times editorial pointed out recently, the mere threat of tax credits "served to jolt public education out of its lethargy. In New York and other places, public schools now show encouraging signs of improvement."

This proposal for tax relief is now before the Congress. And I was just told this morning by Senator Dole that he has agreed to start markup on the tuition tax credit bill this coming Monday. Our administration wants this bill passed. The Knights of Columbus want this bill passed. And I believe the voters, next November, will demonstrate that they want this bill passed.

I, also, strongly believe, as you have been told, that the protection of innocent life is and has always been a legitimate, indeed, the first duty of government. And, believing that, I favor human life. And I believe in the human life legislation. The Senate now has three proposals on this matter from Senators Hatch, Helms, and Hatfield. The national tragedy of abortion on demand must end. I'm urging the Senate to give these proposals the speedy consideration they deserve.

A Senate committee hearing was held recently to determine, if we can, when life actually begins. And there was exhaustive testimony of experts presenting both views, and finally the result was declared inconclusive. They couldn't arrive at an answer. Well, in my view alone, they did arrive at an answer, an answer that justifies the proposed legislation. If it's true we don't know when the unborn becomes a human life, then we have to opt in favor that it is a human life until someone proves it isn't.

As many of you know, our administration has also strongly backed an amendment that will permit school children to hold prayer in our schools. We believe that school children deserve the same protection, the same constitutional consensus that permits prayer in the Houses of Congress, chaplains in our armed services, and the motto on our coinage that says, "In God We Trust." I grant you, possibly we can make a case that prayer is needed more in Congress than in our schools, but—[*laughter*]——

I wonder, though, how many of you, how many citizens know how far the courts have gone with regard to this subject. Do they know, for example, that in one case where children in a school cafeteria simply on their own wanted to say grace before lunch, the court ruled they were prohibited from doing that? Children who sought—again, on their own initiative and with their parents' approval—to begin the school day with a 1-minute prayer meditation were forbidden to do so. And some students who wanted to join in prayer or religious study on school property even outside of regular class hours were also forbidden to do so.

I think you will agree with me—we need a prayer amendment, and we need it badly. We are supposed to have freedom *of* religion. Nothing in the Constitution says freedom *from* religion.

The Congress also has before it now an omnibus crime bill whose provisions on bail reform, sentencing procedure, and criminal forfeiture are critical to our attempt to fight the growing problem of crime. We need that bill. It's critical to our efforts to control organized crime and the trade in illegal drugs and the street-corner criminals who promote that trade.

Let me also say, I'm very aware of your concern about the enforcement of obscenity statutes. A representative of the K of C met last week in Washington with members of my staff on this matter, and let me assure you, when I get back to the Capital, I'll be taking this up with Attorney General Smith.

A few moments ago I used the term "historic change" with regard to our domestic policies. Well, I think this kind of change has been duplicated in the foreign area as well. We've rejected the view that the

world is faced with the impossible dilemma of either fighting a nuclear war or caving in to totalitarian rule. Contrary to what followers of Marx and Lenin would have us believe, we're not hopelessly buffeted by the tides and currents of history, for history is not the stuff of impersonal forces or unalterable laws. Free men and women, inspired by their deeply held beliefs and values, are capable of turning those tides of history and setting them running again in the cause of freedom.

And that is why this administration takes second place to none in the quest for peace through arms control and agreements. Now, many of the proposals we hear today for a nuclear freeze are obsolete. In our proposal for the elimination of ground-based, intermediate-range missiles and in a recent one-third reduction proposal for strategic nuclear ballistic warheads, we've gone far beyond the sterile idea of a freeze. A freeze might be fine after we've had a complete removal of the most threatening intermediate-based missiles and deep reductions in the number of strategic weapons, verifiable reductions.

The House of Representatives has before it now two resolutions on the nuclear freeze matter. One resolution, I regret to say, would, if passed, send a signal to the Soviet Union that we're willing to accept something less than these reductions that I spoke about. Indeed, this resolution would leave in place dangerous inequalities in the nuclear balance and would attempt to return us to the flawed SALT II agreement.

On the other hand, a resolution proposed by Congressmen Broomfield, Carney, and Stratton would avoid these dangers and, if it is passed, would act as an incentive to persuade the Soviet Union to agree to mutual reductions. I strongly support the Broomfield, Carney, and Stratton resolution.

As I mentioned, our arms control proposals are now the matter of delicate negotiations with the Soviet Union. But let me say this to you: The fact that the largest Catholic fraternal organization has spoken out strongly through your magazine Columbia on the morality of maintaining our strategic deterrence has been a great asset to our efforts for peace, and I thank you.

Let me also add that I'm very grateful for the support you've given us on the matter of our attempts to bring stability, peace, and freedom to Latin America, especially in El Salvador. Only a few months ago, more than a million peasants and workers faced threats and bullets to vote in a free election there. They offered eloquent testimony to the appeal of democracy, to the rightness of our support of their desire to resist that tiny cadre of revolutionaries who want to plunge the Salvadoran people into the darkness of godless Communist rule.

Our foreign policy has changed in one other important way. For many years, American foreign policy has suffered from a defensive posture, a shyness about the values and beliefs that form the heart of our political consensus and our civilization. Well, we're on the defensive no longer. The Soviet Union has challenged us to open competition in the realm of ideas and values, and we intend to take up that challenge. That is why when I recently spoke to the British Parliament, I called for a worldwide crusade for freedom and a global campaign for democracy.

As part of this forward strategy for freedom, I recently had the pleasure of signing in a public ceremony for the first time in history the Captive Nations Week proclamation. I did so as a reminder of the suffering of those who live under totalitarian rule and as an expression of our hope that someday all the people of the world will live in freedom.

Now, I must say, my remarks on this occasion have not drawn rave reviews from the Soviet press. In fact, Pravda suggested that my remarks were hysterical and the work of an intellectual pygmy. [*Laughter*] And a Polish newspaper under the martial law there called it a cesspool of invectives, insults, and insinuation. Well, now, naturally, as a former actor, I'm somewhat sensitive about press notices like that. [*Laughter*] But you're probably wondering what upset our adversaries so. Well, the truth is, what upset them the most was a quotation I used from Lech Walesa, the now-imprisoned head of Solidarity in Poland.

In an interview published here before his confinement, Lech Walesa spoke of the "wheat that grows on the stones," of how

brutal repression only seems to strengthen the hope and hunger of those who long for freedom. He said about Poland's Communist rulers, "Our souls contain exactly the contrary of what they wanted. They wanted us not to believe in God, and our churches are full. They wanted us to be materialistic and incapable of sacrifice; we are antimaterialistic and capable of sacrifice. They wanted us to be afraid of the tanks, of the guns, and instead we don't fear them at all."

In these words, I think we find the justification for the importance of the values of family, community, and religion, and some of the changes we've made in Washington during the last 18 months.

When I visited him last June in Rome, His Holiness Pope John Paul II spoke of his profound hope that the "entire structure of American life will rest ever more securely on the strong foundation of moral and spiritual values. Without the fostering and defense of these values, all human advancement is stunted, and the very dignity of the human person," he said, "is endangered."

I would suggest to you today that nowhere in the world is there a more splendid affirmation of this connection between religious values and political freedom than in the ideals, the faith, and the heroism of the Polish people and the leaders of Solidarity.

We hope and we pray today for a time when the people of Poland and all of the peoples on Earth will join the people of America in celebrating the joys of freedom—and speak together in pride and dignity of the wheat that grows on stones.

God bless you, and thank you very much.

Note: The President spoke at 2:45 p.m. in the Hartford Civic Center Coliseum. He was introduced by Virgil Dechant, Supreme Knight of the Knights of Columbus.

Earlier in the day, the President met at the Hartford Hotel with the members of the board of directors of the Knights of Columbus. He then held a working luncheon with Agostino Cardinal Casaroli, Secretary of State of Vatican City.

Following his appearance at the meeting, the President returned to Washington, D.C.

Nomination of Robert John Hughes To Be an Assistant Secretary of State

August 3, 1982

The President today announced his intention to nominate Robert John Hughes as an Assistant Secretary of State (Public Affairs). He would succeed Dean E. Fischer. Secretary Shultz intends that Mr. Hughes will also serve concurrently as the spokesman for the Department of State.

Since July 1, Mr. Hughes has been serving as an Associate Director of the International Communication Agency for Broadcasting and Director of the Voice of America. Mr. Hughes joined the administration in July 1981 as an Associate Director of ICA for Programs. From 1979 until 1981, Mr. Hughes has been president, publisher, and editor of Hughes Newspapers, Inc., Orleans, Mass. He founded the company in 1977. He was director and consultant, News-Journal, Wilmington, Del., in 1975–1978; radio correspondent for the Far East for Westinghouse Broadcasting Co. in 1964–1970; weekly television commentator, WBZ-TV, Boston, Mass., in 1962–1964. From 1954 to 1979, Mr. Hughes was associated with the Christian Science Monitor as Africa correspondent, 1955–1961; assistance overseas news editor, 1962–1964; Far East correspondent, 1964–1970; managing editor, 1970; editor, 1970–1976; and editor and manager, 1976–1979.

A Pulitzer Prize winning journalist and former editor of the Christian Science Monitor, Mr. Hughes has also been the president of the American Society of Newspaper Editors and was a former Nieman Fellow at Harvard University. In 1971 he was awarded the Overseas Press Club's award for the best daily newspaper or wire service report-

ing from abroad.

Mr. Hughes was born April 28, 1930, in Neath, south Wales, educated in England, and worked for newspapers and wire services in England and South Africa before settling in the United States in 1954. He became an American citizen in 1965. Mr. Hughes is married to the former Libby Pockman and has two children.

Letter to the Chairman of the House Committee on Armed Services Concerning Strategic Arms Reduction

August 3, 1982

Dear Mel:

I want to commend you for your leadership during the recent House of Representatives consideration of the Department of Defense authorization bill. I greatly appreciate your efforts to restore and maintain this Nation's defense capabilities.

It is imperative that we maintain a position of unity and strength during the Strategic Arms Reduction Talks (START) currently under way with the Soviet Union. House action on the Defense authorization bill reflected strong bipartisan commitment to our national security efforts, and I am sure that commitment will guide your efforts in the House-Senate conference.

I have previously written you expressing my concern that the House Foreign Affairs Committee "nuclear freeze" resolution will undermine our negotiating position with the Soviets during the START talks, by placing the United States in a dangerous position of disadvantage and removing the incentive for serious negotiation by the Soviets. I hope you will urge your colleagues to reject this proposal and pass instead the Broomfield-Carney-Stratton resolution, which will show the Soviet Union that the Congress supports our effort to accomplish meaningful arms reductions.

Thank you again for your continuing support of our national defense.

Sincerely,

RONALD REAGAN

[The Honorable Melvin Price, Chairman, Committee on Armed Services, House of Representatives, Washington, D.C. 20515]

Statement on Signing the Energy Emergency Preparedness Act of 1982

August 3, 1982

Restoring America's energy security has been a top priority since I assumed office. We have changed regulations and laws, held discussions with our neighbors concerning a North American accord, and increased cooperation with our friends and allies to enhance our energy security. The United States has made dramatic gains in augmenting production and enhancing efficient consumption of energy. As a result of the policies of this administration, the vulnerability of the United States and our allies to possible shocks from oil supply interruptions is significantly lessened.

Our energy cooperation with other countries through the International Energy Agency, which one portion of this bill will facilitate, is a clear example of our coordinated approach to energy security. The administration initially proposed and strongly supported the provisions of this legislation extending section 252 of the Energy Policy and Conservation Act, demonstrating our commitment to the IEA.

But we have done much more than this. In particular, we have built up our Strategic Petroleum Reserve at an impressive rate. During the 4 years of the previous administration, oil was added to the Reserve at a rate of only 75,000 bbl/day. Thus far during my administration, oil has been added at a rate of about 300,000 bbl/day, and we continue a firm policy of filling the Reserve as fast as permanent storage can be made available.

The Reserve now contains more than 265 million barrels, an amount equal to more than 6 months of our imports from Arab OPEC countries, at our import rate over the past year.

In a time of unprecedented efforts to restrain Federal spending, I authorized the Department of Energy to spend $5.8 billion to acquire oil for the Reserve. Under plans I have approved, DOE will spend an additional $6 billion between now and the end of FY 1984.

Very shortly after taking office, I totally removed remaining regulations on the price, production, and distribution of crude oil and petroleum products. I did this in the sure confidence that the American people, acting through the market system, would move toward optimal means of production and consumption, and I have not been disappointed. Oil production has begun to increase after years of decline. Our efficiency of use of all energy, and especially oil, has increased significantly. In the first half of 1982, we produced more goods and services than in the first half of 1978, but used almost 20 percent less oil. Our imports of foreign oil have fallen by almost 2 million bbl/day since 1980, bringing our dependence on foreign oil to less than 30 percent.

Our initiatives in increasing the opportunities for oil production from offshore lands will also aid both the United States and our allies by providing additional supply and restraining upward pressure on prices. In addition, United States actions in increasing coal exports and allowing increased exports of petroleum products have contributed to an improvement in the international energy situation.

Through the various studies and reports required in S. 2332, I am confident that the success of our energy policies will be well presented to the Congress and to the American people.

Note: As enacted, S. 2332 is Public Law 97-229, approved August 3.

Statement on the Situation in Lebanon

August 4, 1982

Last night Israeli forces moved forward on several fronts from their cease-fire lines around Beirut. These movements were accompanied by heavy Israeli shelling and came only a day after I had made clear to the Israeli Government, in my meeting with Foreign Minister Shamir, that the United States placed great importance on the sustained maintenance of a cease-fire in place—to avoid further civilian casualties and to secure the prompt withdrawal of the PLO forces in Beirut.

This is a necessary first step toward our goal of restoring the authority of the Government of Lebanon, a goal Ambassador Habib is earnestly working toward with the full cooperation of the Government of Lebanon.

Through governments which have direct contact with the PLO, I have expressed my strong conviction that the PLO must not delay further its withdrawal from Lebanon. At the same time I have expressed to the Government of Israel the absolute necessity of reestablishing and maintaining a strict cease-fire in place so that this matter can be promptly resolved.

Nomination of James Malone Rentschler To Be United States Ambassador to Malta

August 4, 1982

The President today announced his intention to nominate James Malone Rentschler to be Ambassador to the Republic of Malta. He would succeed Joan Margaret Clark, who is serving as Director General of the Foreign Service and Director of Personnel, Department of State.

Mr. Rentschler served in the United States Army Security Agency from 1955 to 1958. He was a mortgage and title examiner at Berks Title Association in Reading, Pa., from 1958 to 1959. He entered the Foreign Service in 1959 with the International Communication Agency (formerly the United States Information Agency) as assistant cultural attaché in São Paulo and Rio de Janeiro. He was branch public affairs officer in Fez, Morocco (1961–1963), public affairs officer in Ouagadougou (1963–1965), and was on detail to the Johns Hopkins European Center in Bologna (1965–1966). He was press attaché and acting public affairs counselor at USNATO in Paris and Brussels (1966–1969), deputy cultural attaché in Paris (1969–1971), and Embassy counselor for press and cultural affairs in Bucharest (1971–1974). From 1974 to 1975, he attended the Executive Seminar in National and International Affairs at the Foreign Service Institute, and was Senior Foreign Service Inspector at the Agency from 1975 to 1976. From 1976 to 1978, he was Embassy counselor for public affairs in Rabat. Since 1978 he has been senior staff member of the National Security Council at the White House.

Mr. Rentschler was born October 16, 1933, in Rochester, Minn. In 1954 he received a certificate from the University of Paris, and graduated from Yale University (B.A., 1955) and Johns Hopkins University (M.A., 1966). His foreign languages are French, Portuguese, Italian, and Romanian.

Nomination of Dennis M. Devaney To Be a Member of the Merit Systems Protection Board

August 4, 1982

The President today announced his intention to nominate Dennis M. Devaney to be a member of the Merit Systems Protection Board for a term expiring March 1, 1988. He would succeed Ronald P. Wertheim.

He is in the private practice of law in Washington, D.C. He was counsel for the Food Marketing Institute in Washington, D.C., in 1977–1979. He was assistant general counsel, U.S. Brewers Association, Washington, D.C., in 1975–1977. While in law school, Mr. Devaney was a law clerk at the NASA Goddard Space Flight Center, Greenbelt, Md., and at the law firm of Donelan, Cleary, Wood and Maser, Washington, D.C. He was also a legislative assistant in the Maryland General Assembly at that time.

Mr. Devaney graduated from the University of Maryland (B.A., 1968; M.A., 1970) and Georgetown University Law Center (J.D., 1975). He is married, has two children, and resides in Columbia, Md. He was born February 25, 1946.

Statement on Senate Approval of the Proposed Constitutional Amendment for a Balanced Federal Budget
August 4, 1982

Today I happily join millions of Americans in saluting the Senate for bringing the United States one step closer to a constitutional amendment requiring balanced Federal budgets. Forty-seven Republicans and 22 Democrats stood shoulder to shoulder to pass the amendment and resist intense special interest pressure for still more red-ink spending.

I particularly want to commend the strong leadership of Senators Baker, Thurmond, Hatch, and DeConcini.

Now it is up to the liberal leadership in the House to heed the will of the people. Americans, in overwhelming numbers, have just one message for the House leadership: "Let our Representatives vote."

The legacy of 21 unbalanced budgets in 22 years saddled us with severe problems that brought our economy to its knees. Making government live within its means again will not be easy; it will be very difficult. It will require a strong, sustained commitment from everyone, on both sides of the aisle. The time for partisan politics is long gone. Let us work together, honoring the trust of the people, so we can put this country back on track.

Proclamation 4957—Working Mothers' Day
August 4, 1982

By the President of the United States of America

A Proclamation

Over the past half century a great change has been taking place in the social and economic structure of the United States: mothers are joining the labor force in ever-increasing numbers. At the present time, over half of all the children in America have mothers who work outside the home.

Over forty-three million women are now employed in every area of public and private employment and are continuing to develop new opportunities. They have made, and continue to make, increasingly important contributions to the Nation.

Of these forty-three million working women, over eighteen million simultaneously perform the vitally important role of mother.

These women make substantial contributions both to the Nation's economic growth and to the increasing strength of the American family, often at great personal sacrifice. They deserve our recognition and gratitude.

Most other mothers are working full time in the home. Their work is no less important. The guidance they give their children and the maintenance of a strong and cohesive family unit also contribute to the Nation's economic growth.

By Senate Joint Resolution 53, the Congress of the United States has authorized and requested the President to designate September 5, 1982, as "Working Mothers' Day."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim September 5, 1982, as "Working Mothers' Day" and call upon families, individual citizens, labor and civic organizations, the media, and the business community to acknowledge the importance of the mothers who work inside or outside the home and to express appreciation for their role in American society.

In Witness Whereof, I have hereunto set my hand this 4th day of Aug, in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United

States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 10:50 a.m., August 5, 1982*]

Executive Order 12375—Motor Vehicles
August 4, 1982

By the authority vested in me as President by the Constitution and statutes of the United States of America, including the Motor Vehicle Information and Cost Savings Act, as amended (15 U.S.C. 1901 *et seq.*), and Section 301 of Title 3 of the United States Code, it is hereby ordered that Section 1 of Executive Order No. 11912, as amended, is further amended to read as follows:

"Section 1. (a) The Administrator of General Services is designated and empowered to perform without approval, ratification, or other action by the President, the functions vested in the President by Section 510 of the Motor Vehicle Information and Cost Savings Act, as amended (89 Stat. 915, 15 U.S.C. 2010). The Administrator shall exercise that authority to ensure that passenger automobiles acquired by all Executive agencies in each fiscal year achieve a fleet average fuel economy standard that is not less than the average fuel economy standard for automobiles manufactured for the model year which includes January 1 of each fiscal year.

"(b) The Administrator of General Services shall also promulgate rules which will ensure that each class of nonpassenger automobiles acquired by all Executive agencies in each fiscal year achieves a fleet average fuel economy that is not less than the average fuel economy standard for such class, established pursuant to Section 502(b) of the Motor Vehicle Information and Cost Savings Act, as amended (89 Stat. 903, 15 U.S.C. 2002(b)), for the model year which includes January 1 of such fiscal year. Such rules shall not apply to nonpassenger automobiles intended for use in combat-related missions for the Armed Forces or intended for use in law enforcement work or emergency rescue work. The Administrator may provide for granting exceptions for individual nonpassenger automobiles or categories of nonpassenger automobiles as he determines to be appropriate in terms of energy conservation, economy, efficiency, or service.

"(c) In peforming these functions, the Administrator of General Services shall consult with the Secretary of Transportation and the Secretary of Energy."

RONALD REAGAN

The White House,
August 4, 1982.

[*Filed with the Office of the Federal Register, 10:51 a.m., August 5, 1982*]

Nomination of Theodore George Kronmiller To Have the Rank of Ambassador While Serving as a Deputy Assistant Secretary of State
August 5, 1982

The President today announced his intention to nominate Theodore George Kronmiller to have the rank of Ambassador while serving as Deputy Assistant Secretary of State for Oceans and Fisheries Affairs.

Mr. Kronmiller served in the United States Naval Reserve as lieutenant from 1970 to 1979. From 1974 to 1975, he was an attorney/adviser on the Appeals Board of the Department of Commerce. From

1975 to 1976, he was Deputy Head of the Commerce Department contingent of the United States Delegation to the Third United Nations Law of the Sea Conference. He was with the National Oceanic and Atmospheric Administration from 1975 to 1978, serving as attorney/adviser (1975–1976), consultant to the Marine Minerals Division (1976–1977), and Counsel for International Law (1977–1978). He was with the United States House of Representatives as counsel of the Subcommittee on Oceanography from 1978 to 1979, and counsel of the Subcommittee on Fisheries and Wildlife Conservation and the Environment from 1979 to 1981. Since 1981 he has been Deputy Assistant Secretary of State for Oceans and Fisheries Affairs in the Department of State.

Mr. Kronmiller was born February 12, 1948, in York, Pa. He graduated from Duke University (B.A., 1970) and the University of Virginia Law School (J.D., 1973). His foreign language is French.

Nomination of Two Members of the United States Holocaust Memorial Council

August 5, 1982

The President today announced his intention to nominate the following individuals to be members of the United States Holocaust Memorial Council for terms expiring January 15, 1986. These are new positions.

Herbert D. Katz is president of Sajik Corp. in Hollywood, Fla. He serves on the board of trustees and the budget committee of the United Jewish Appeal. He has served as national vice chairman of that organization since 1977. He graduated from the Wharton School of the University of Pennsylvania (B.S., 1951) and Harvard Law School (J.D., 1954). He is married, has five children, and resides in Hollywood, Fla. He was born June 13, 1929.

Edward H. Rosen is president of Raymond Rosen & Co., Inc., in Philadelphia, Pa. He is currently a board member of the Philadelphia chapter of the American Jewish Committee. He is past president of that organization and was chairman of the board in 1972 and 1973. He graduated from Yale University (B.A., 1950). He is married, has three children, and resides in Narberth, Pa. He was born July 13, 1927.

Remarks Announcing Federal Support of the National Health Fair Partnership Program

August 5, 1982

I know that the schedule has been quite disrupted and that I am supposed to have tagged along now and spoken to you after you had been well informed by others who were going to address you. And I know that we're also behind schedule and late. And I don't know just how to approach this and tell you why we were late. Been here 18 months—never happened. What really scared me was when the gentleman who's been here for many, many years was with us and said it had never happened. We've been between here and the floor below in the elevator. [*Laughter*] We had plenty of time to get acquainted with each other. [*Laughter*]

I could think if it hadn't happened in just 18 months, well, that wasn't so—but when someone that's been here a great many years said it hadn't happened before in all those years, I began to wonder whether I might not become a permanent fixture of the structure here.

Well, I thank you very much. And, at last, welcome to the White House. It does my spirit good to be among so many people

who have the faith and the good will to move mountains. And, believe me, you're doing that.

I think the effort that you've heard about today is an example—or that you're going to hear more about today—of public-private partnership at its best.

I understand that last March, after Secretary Schweiker and Congressman Gore kicked off this campaign, over 500,000 people received free health-care education and screening services. Now, this is the type of private sector initiative that Bill Verity and members of the Task Force on Private Sector Initiatives have been bringing to my attention all year.

We want to congratulate the National Health Screening Council for Voluntary Organizations for serving as a catalyst. Our administration deeply appreciates organizations like yours trailblazing new private sector initiatives.

So, congratulations also go to the media for providing 132 hours of television promotion and 31,000 inches of newspaper coverage. And, matter of fact, if they wanted to use some of the coverage they've been giving me and transfer it to you, I'd be—[*laughter*]—be more than pleased.

Now, please don't think that I'm not grateful, but after that fine start, we just want to challenge you to do even more. I'm here to tell you all that we like your style. We like the way you've put together groups of people at the grassroots to offer free preventive and health promotion services at no cost to the taxpayer. It's estimated that every business dollar of support that you raise generates an average of $40 in services to communities. And that's not bad—$1 for 40.

Secretary Bell and Secretary Schweiker have assured me today that they're going to join in the health fair effort, working with you as partners, providing health promotion services wherever possible. And, of course, they were supposed to have already spoken to you before I said that, but now they will be speaking to you. This is the type of program that Secretary Schweiker's been emphasizing in his health promotion initiative that you are supposed to have heard about, but will hear about.

When the people of this country are encouraged to use their own initiative, they accomplish great things. I think we'll see the proof of this in the 1984 Summer Olympic Games. I've felt for a long time that the work of the Los Angeles Olympic Organizing Committee isn't good work, it's great work because of the dedication and selflessness of the people on that committee and the generosity of millions of Americans.

You know, these are the first Olympic games in all the thousands of years history of those games that will be put on totally by the private sector. And the Los Angeles Olympic Organizing Committee tells me that they'll be depending on volunteers and community groups. In fact, they have over 1,200 volunteers working right now on citizen committees. And that number is expected to go to 10,000 by 1984. It's not government dollars but voluntary efforts that keep America participating in a tradition that goes back thousands of years.

This is our American spirit, and with help from the media, from business, from volunteer organizations and the government, I know that this year your health fairs will serve many more people than in the past. And hopefully we can even save some lives.

I understand you heard about—well, no, I don't know that you heard about this example before I arrived. So you will. Anyway, I wish I could thank each of you for personally getting involved. Let me just say again how grateful we are for your initiative and how important it is to build on your accomplishments.

Dr. Brensike tells me that Governor Thompson in Illinois has taken a strong leadership position to promote this partnership in the statewide level. And I hope many other States will join in.

So, I'll thank you again. And I don't know whether it fits with anything else or with health fairs or not, but I try to remember the case of the gentleman who went in for a physical examination and then said to the doctor, "Okay. Give it to me straight. I can take it." And the doctor said, "Let me put it to you this way. Eat the best part of the chicken first." [*Laughter*]

So, I shall now turn this over to Dick Schweiker and greet this group here, and walk down the stairs and go back to the

office. [*Laughter*]

Thank you very much.

Note: The President spoke at 2:25 p.m. in the State Dining Room at the White House to representatives of corporations, the news media, and voluntary organizations involved in the health fair program.

Dr. John H. Brensike is founder of the National Health Screening Council for Voluntary Organizations.

Executive Order 12376—Presidential Commission on Drunk Driving

August 5, 1982

By the authority vested in me as President by the Constitution of the United States of America, and in order to increase the membership of the Presidential Commission on Drunk Driving by two, it is hereby ordered that the second sentence of Section 1 of Executive Order No. 12358 of April 14, 1982, is amended to read as follows: "The Commission shall be composed of no more than 28 members appointed by the President.".

RONALD REAGAN

The White House,
August 5, 1982.

[*Filed with the Office of the Federal Register, 4:12 p.m., August 5, 1982*]

Statement on House of Representatives Approval of a Strategic Arms Reduction Resolution

August 5, 1982

I congratulate the House of Representatives for today endorsing a resolution on arms control that signals to the Soviet Union the American people's determination to seek peace through arms control agreements that will effectively reduce the nuclear arsenals of both sides. The United States arms reduction proposals are now a part of serious negotiations with the Soviets in Geneva. Today's vote provides strong support for our negotiators, led by Ambassador Edward Rowny and Ambassador Paul Nitze.

In particular, I salute the efforts of Congressmen Bill Broomfield, Bill Carney, and Sam Stratton in authoring the resolution that passed tonight and in gaining its passage. Our negotiators join me in expressing appreciation for the statesmanlike position taken by those who supported this resolution, and I ask all Members of Congress to join in our continued efforts to maintain the security of our country while seeking meaningful arms reductions.

Nomination of Martin Feldstein To Be a Member of the Council of Economic Advisers, and Designation as Chairman

August 6, 1982

The President today announced his intention to nominate Dr. Martin Feldstein to be a member of the Council of Economic Advisers. Upon his confirmation, the President intends to designate him Chairman of the Council. He will succeed Dr. Murray Weidenbaum.

Dr. Feldstein will be taking a 2-year leave of absence from Harvard University, where he has been a professor of economics since 1967. He is president of the National Bureau of Economic Research. This organization has been known among economists for its impeccable scholarship and rigid nonpartisanship for more than six decades. Dr. Feldstein was a research fellow and lecturer at Nuffield College, Oxford University, from 1964 to 1967.

In 1977 the American Economic Association awarded Dr. Feldstein the John Bates Clark Medal, an honor bestowed every 2 years on the economist under the age of 40 who is deemed to have made the most significant contribution to economic science. He is presently a member of the National Productivity Advisory Committee and the President's Private Sector Survey on Cost Control in the Federal Government.

Dr. Feldstein received an A.B. degree summa cum laude from Harvard University in 1961, and an M.A. in 1964 and a D. Phil. in 1967 from Oxford University. He and his wife, Kathleen, an economist, have two children and reside in Belmont, Mass. He was born November 25, 1939, in New York, N.Y.

Appointment of Garfield Bobo as a Member of the President's Task Force on Victims of Crime

August 6, 1982

The President today announced his intention to appoint Garfield Bobo to be a member of the President's Task Force on Victims of Crime. This is a new position.

Mr. Bobo has been serving as court assistant for the supreme court of the State of New York since 1970. He was in charge of staff and criminal records for the supreme court, Kings County, criminal division, in 1968–1970. He was with the Division of Housing and Community Renewal for the State of New York in 1967–1968. He is president of the Bedford Stuyvesant Improvement Association and is a member of the Urban League of Greater New York. Mr. Bobo resides in Brooklyn, N.Y., and was born April 30, 1917.

Appointment of Patrick E. O'Donnell as a Member of the Presidential Commission on Broadcasting to Cuba

August 6, 1982

The President today announced his intention to appoint Patrick E. O'Donnell to be a member of the Presidential Commission on Broadcasting to Cuba. This is a new position.

Mr. O'Donnell is a partner in the law firm of O'Connor & Hannan in Washington, D.C. He served as a member of the Repub-

lican National Committee Advisory Council on Economic Affairs in 1976–1980. He was Washington representative and counsel for the J. C. Penney Co., Inc. He was Washington counsel for the General Electric Co., Inc., in 1976–1978. He was Special Assistant to Presidents Nixon and Ford for Legislative Affairs in 1970–1976. He was Legal Counsel to Federal Communications Commission Chairman Dean Burch in 1969–1970 and served as assistant corporation counsel for the District of Columbia in 1963–1969.

He graduated from Georgetown University (B.A.) and the Washington College of Law (LL.B., 1962). He is married, has three children, and resides in Chevy Chase, Md. He was born March 17, 1937.

Appointment of Two Members of the Presidential Commission on Drunk Driving

August 6, 1982

The President today announced his intention to appoint the following individuals to be members of the Presidential Commission on Drunk Driving. These are both new positions.

Peter F. Cohalan is serving as county executive for Suffolk County, N.Y. He was town supervisor for the town of Islip, N.Y., in 1972–1979. He was a partner in the law firm of Levy, Bishop and Cohalan in Sayville, N.Y., in 1968–1972. He graduated from Manhattan College (B.A., 1959) and Fordham University School of Law (LL.B., 1963). He is married, has two children, and resides in Bayport, N.Y. He was born January 10, 1938.

William J. Scioscia is serving as chief of police for the East Hanover Township in New Jersey. He has been with the Township of East Hanover Police Department since 1958, serving as deputy chief of police in 1971–1981, detective lieutenant in 1967–1971, and commanding officer of the detective division in 1964–1971. He is married, has three children, and resides in East Hanover, N.J. He was born August 26, 1935.

Executive Order 12377—Joint Mexican-United States Defense Commission

August 6, 1982

By the authority vested in me as President by the Constitution and laws of the United States of America, and in order to add a member of the Marine Corps to the Joint Mexican-United States Defense Commission, it is hereby ordered that the third paragraph of Executive Order No. 9080 of February 27, 1942, as amended by Executive Order No. 10692 of December 22, 1956, is further amended to read as follows:

"The United States membership of the Commission shall consist of an Army member, a Navy member, an Air Force member, and a Marine Corps member, each of whom shall be designated by the Secretary of Defense and serve during the pleasure of the Secretary. The Secretary shall designate from among the United States members the chairman thereof and may designate alternate United States members of the Commission.".

RONALD REAGAN

The White House,
August 6, 1982.

[*Filed with the Office of the Federal Register, 4:17 p.m., August 6, 1982*]

Executive Order 12378—President's Committee on the Arts and the Humanities

August 6, 1982

By the authority vested in me as President by the Constitution of the United States of America, and in order to increase the membership of the President's Committee on the Arts and the Humanities by one, it is hereby ordered that the last sentence of Section 1(a) of Executive Order No. 12367 of June 15, 1982, is amended by substituting a comma for "and" immediately after "Smithsonian Institution" and by adding "and the Chairman of the Board of Trustees of the John F. Kennedy Center for the Performing Arts" immediately after "National Gallery of Art".

RONALD REAGAN

The White House,
August 6, 1982.

[*Filed with the Office of the Federal Register, 4:18 p.m., August 6, 1982*]

Statement by Deputy Press Secretary Speakes Concerning a European Communities Steel Exports Arrangement

August 6, 1982

The President today indicated his pleasure that Secretary of Commerce Malcolm Baldrige and Vice Presidents of the Commission of the European Communities Viscount Etienne Davignon and Wilhelm Haferkamp have reached agreement on an arrangement which he believes could lead to a resolution of our steel trade problems. These negotiations have been very difficult and complex, and only the determination of both parties to succeed, and a spirit of understanding and cooperation, made agreement possible.

Nomination of Theodore C. Maino To Be United States Ambassador to Botswana

August 9, 1982

The President today announced his intention to nominate Theodore C. Maino to be Ambassador to the Republic of Botswana. He would succeed Horace G. Dawson, Jr.

He has been serving as president of Maino Construction Co., Inc., in San Luis Obispo, Calif., since 1954. He was vice president and general superintendent of Maino Construction Co. in 1946–1954. He was construction supervisor with that company in 1935–1943. He was owner of Maino Properties Commercial Rentals in 1954–1981 and was chairman of the board, Swift Air Lines, Inc., in 1969–1980. He was president of San Luis Obispo Savings and Loan Association in 1967–1975 and was director of Central Savings and Loan Association in 1946–1967.

Mr. Maino graduated from the University of Santa Clara (B.S., 1935). He is married, has four children, and resides in San Luis Obispo, Calif. He was born October 29, 1913.

Appointment of Five Members of the Advisory Committee of the Pension Benefit Guaranty Corporation, and Designation of Chairman

August 9, 1982

The President today announced his intention to appoint the following individuals to be members of the Advisory Committee to the Pension Benefit Guaranty Corporation. He also announced his intention to designate L. R. Hubbard, Jr., to be Chairman.

L. R. Hubbard, Jr., is a retired general contractor in San Diego, Calif. He is also former deputy mayor and city councilman. He is married, has three children, and resides in San Diego, Calif. Mr. Hubbard will serve for a term expiring February 19, 1984. He will succeed Phyllis R. Spielman.

Perry Joseph is business manager for Carpet, Linoleum, Hardwood & Resilient Tile Layers' Local Union #1310, AFL–CIO. He is married, has two children, and resides in St. Louis, Mo. He will serve for a term expiring February 19, 1984. Mr. Joseph will succeed Thomas F. Duzak.

Roger F. Martin is senior vice president of MGIC Investment Corp. in Milwaukee, Wis. He is married, has four children, and resides in Mequon, Wis. Mr. Martin will serve for a term expiring February 19, 1984. He will succeed Dan M. McGill.

Charles Christopher Tharp is vice president of General Investment Funds in Chevy Chase, Md. He is also a member of the board of directors of Trans General Life Insurance Co. He resides in Queen Anne, Md. Mr. Tharp will serve for a term expiring February 19, 1984. He will succeed Richard H. Fay.

Ralph J. Wood, Jr., has been a personal producing agent in the insurance industry since 1950. He is married, has five children, and resides in Flossmor, Ill. Mr. Wood will serve for a term expiring February 19, 1983. He will succeed Kenneth L. Houck.

Nomination of Alex Kozinski To Be a Judge of the United States Claims Court

August 9, 1982

The President today announced his intention to nominate Alex Kozinski, of the District of Columbia, to be a Judge of the United States Claims Court for a term of 15 years. This is a new position created by Public Law 97–164.

Since June 1981, Mr. Kozinski has served as Special Counsel for the Merit Systems Protection Board. Prior to his appointment as Special Counsel, he was Assistant Counsel, Office of Counsel to the President, in 1981; deputy legal counsel, office of President-elect Reagan, 1980–1981; an associate of Covington & Burling, 1979–1981; an associate with the firm Forry, Golbert, Singer & Gelles, 1977–1979; a law clerk to Chief Justice Warren E. Burger, U.S. Supreme Court, 1976–1977; and a law clerk to Judge Anthony M. Kennedy, Court of Appeals for the Ninth Circuit, 1975–1976.

He graduated from the University of California at Los Angeles (A.B., 1972) and the University of California at Los Angeles Law School (J.D., 1975). He is married and resides in Washington, D.C. He was born July 23, 1950.

Note: On August 10, the White House announced that the President planned to designate Mr. Kozinski as Chief Judge following his confirmation and appointment.

Message to the Senate Transmitting the United States-Austria Convention on Taxation and Fiscal Evasion

August 10, 1982

To the Senate of the United States:

I transmit herewith, for Senate advice and consent to ratification, the Convention between the United States of America and the Republic of Austria for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Estates, Inheritances, Gifts, and Generation-skipping Transfers, signed at Vienna on June 21, 1982.

The Convention is the first of its kind to be negotiated between the United States and Austria. It will apply, in the United States, to the Federal estate tax, the Federal gift tax and the Federal tax on generation-skipping transfers and, in Austria, to the inheritance and gift tax.

A principal feature of the Convention is that the country of the transferor's domicile may tax transfers of estates and gifts and generation-skipping transfers on a worldwide basis, provided that it relieves the tax on specified types of property taxable on a situs basis.

I recommend that the Senate give early and favorable consideration to the Convention and give its advice and consent to ratification.

RONALD REAGAN

The White House,
August 10, 1982.

Statement by Deputy Press Secretary Speakes on the Situation in Lebanon

August 10, 1982

We welcome the Israeli assessment as an essential element in getting the problem solved in Beirut. We are encouraged that the momentum of the peace process continues to build. Ambassador [Philip C.] Habib is in Israel, having left Beirut early this morning, where he will discuss with Israeli officials the several amendments that the Israeli Government has suggested as a result of their Cabinet meeting, as well as other issues in the peace process.

We remain cautiously optimistic that the outstanding issues can be worked out. We are hopeful that there can be rapid movement toward the implementation of the full peace plan. It is our belief that negotiations can best move forward when a cease-fire is carefully observed by all parties.

Note: Deputy Press Secretary Larry M. Speakes read the statement at his daily press briefing in the Briefing Room at the White House.

Remarks to Reporters on Federal Tax and Budget Reconciliation Legislation

August 10, 1982

The President. I just finished having a meeting with Senator Roth, and he made a very cogent statement about the subject that brings us together, this tax and spending cut program that we're seeking to get.

It's been dishonestly portrayed and

tagged as the largest tax increase in history. It's nothing of the kind. But he said and characterized it as maybe the greatest tax reform, because only 17 percent of this bill represents actual tax increase. And 31 percent of it represents simply better compliance and collecting money from people who, under the existing laws, owe taxes to the government, and they're not paying them. And the rest of it happens to be actual reforms that we think are correcting unintended benefits or advantages that have come into being through legislation that here and there permitted an opening for a—technically to gain something.

But the main purpose of what's going on here in this whole combination is that this combination represents a $380 billion reduction in deficits over 3 years. And 280 of that is in spending outlays not in this tax package.

Incidentally, this tax package wouldn't be the greatest single tax increase if it was all tax increase instead of just 17 percent. But the thing is, what we're really talking about is the necessity to reduce the deficits and thus get interest rates to continue coming down to get the economy moving again. And this will do it. And those who are opposing it cannot hide from the fact that they are supporting increased deficits and higher interest rates.

Q. Mr. President, on that note, do you think Jack Kemp and other conservatives are trying to undermine your Presidency? And is it——

The President. No, I think that Jack sincerely believes—is a purist in the supply-side economics. And we'll continue to talk and reason together.

Q. He's not running for President himself.

The President. What?

Q. He's not running for President himself.

The President. I didn't know the job was up for grabs. [*Laughter*]

Q. Do you think you're going to pass this tax increase package?

The President. We'll do our best to see——

Q. How does it look now?

The President. Well, I can tell you better after the meeting. [*Laughter*]

Note: The President spoke at 4:13 p.m. in the Cabinet Room at the White House.

Remarks in Billings, Montana, at a Celebration Marking the Centennial of Billings and Yellowstone County

August 11, 1982

I thank you, Mayor Fox, Governor Schwinden, Congressman Marlenee, the chairman of this great occasion, Russ Clark, and you ladies and gentlemen—and my goodness, do I thank you for a warm welcome.

The stage was on time today[1] —[*laughter*]—and I'm very happy to be here in Billings for your centennial celebration. By the way, save the candles on the cake. I might be able to use them shortly. [*Laughter*] It doesn't take as long in Washington to be ready for that many. [*Laughter*]

But I'm told that an Indian chief once said of Billings, "The Great Spirit has put it exactly in the right place: While you're in it, you fare well." I wish the chief had said that about Washington. [*Laughter*]

But I think I know why Billings has fared better than Washington. The people of Billings, Montana, have remained true to the values of their ancestors. You still admire independence, resourcefulness, and determination. You have the legacy of those ideals, and you have the history so colorful that your sunsets can't match it. Proud Indian peoples, explorers—Lewis and Clark—trappers, traders, miners, ranchers have all contributed to Montana, to Mon-

[1] *The President had entered the arena riding on a stagecoach.*

tana's rich past. And later came the homesteaders, who plowed the fields and, according to the Indians, left the sod "wrong side up."

But, of course, you can still feel the openness of the land, the expanse of the sky out here. This is a place, as one man put it, where a fellow has room "to swing his elbows and his mind." You know, this has influenced the Western character. John Steinbeck wrote that it's as if the "calm of the mountains and the rolling grasslands had gotten into the inhabitants."

I came here today not just to celebrate Billings' hundredth anniversary but to tell the people of Montana that I like what you stand for and, more important, what you won't stand for. You know who you are, and I wish I could bottle some of your confidence and send it to points east, especially a place I know along the Potomac.

In a way you are already sending some of that Montana confidence to Washington. You are sending it in the form of your Congressman, Ron Marlenee. Ron has been very helpful to me during the consideration of our agricultural, defense, and economic policies. He's a darn good Congressman.

As I look around here at the flags and the bunting, the red, white, and blue, this is the same spirit that your mountain forefathers possessed—your Montana forefathers, I should say, but, then, "mountain" is all right, too. There was a pioneer named John Owen who always celebrated the Fourth of July with special relish. According to historian Clark Spence, "The Stars and Stripes were run up, a howitzer fired, a round of drinks poured for the hands, and on one occasion a colt was born that day, and was named Independence."

We're committed to preserving that freedom that John Owen loved to celebrate. And that means a strong America, secure and at peace. I don't need to tell the commonsense citizens of Montana about the importance of a prepared military. Just let me say that, with the help of the Congress, we're making solid headway in strengthening America's defenses.

Now, you know, when you do that, there are those that suggest that, somehow, this means you're warlike, that you can't wait to go to war. Well, there have been four wars in my lifetime. That's enough. And I don't know of any of those wars that we got into because we were too strong. Americans seek only to enjoy their freedom in peace, as we're doing here today.

Before I came out to Billings, I read through some of the recent letters that I've received, and, particularly, from citizens of this State, knowing that I was coming. They concern a number of global problems. But let me read to you what one woman who lives a few miles down Route 212 wrote. "Dear Mr. President, I recently had the great, good fortune to be blessed with twin sons. Every day they become so much more precious to me. Your word means so much. Please help make this world safe for my sons. Please, please help stop the bomb. Please work for nuclear disarmament and safety. As a father who loves his children, I know you want them to live, too. Please, Mr. President."

Well, I haven't had the chance to reach this concerned mother, so I won't reveal her name. But I want her to know I will work hard and unceasingly to protect her sons from nuclear war or any kind of war just as surely as I will work to ensure that her sons will grow up in freedom. Peace and freedom are our goals. And, at this very minute, we're proceeding in a number of areas to reduce nuclear risks. And just last week, the House adopted a bipartisan nuclear arms control resolution that strengthens our hand at the bargaining table. That Montana mother has my word we intend to make this world safe for her twins and for all our children.

There are other issues, as well, on the minds of Montanans. You know, in one of Montana's early settlements, there were two fellows who owned a general store. And one of them was a Spaniard, and the other one was a Frenchman. And neither one of them could understand the language of the other. Now, I don't know how they made out, but it, sort of, reminds you of Congress and me, doesn't it? [*Laughter*] Well, language barrier or no, using some Montana common sense, I'd like to explain to you what's been going on back there in Washington.

First the good news. Inflation, which not

long ago was the number one economic concern of most Americans, has run at less than half the 1980 rate for the last 6 months, and we're going to keep it that way or less. What is more, individual Americans have the first comprehensive tax cut they've had in 20 years. And starting in 1985 their taxes will be indexed. And to some of you who might not know what that expression means, it means that they will be indexed to whatever the rate of inflation is so that when you get a cost-of-living pay raise, it doesn't push you up into a higher tax bracket. You stay in the bracket you're in.

Last quarter's rise in the gross national product is an encouraging sign. Our dollar is stronger than it's been in 10 years, and we've already saved $6 billion annually by eliminating unnecessary and useless regulations. And we've saved or avoided, believe it or not, over $11 billion in waste and fraud because of a task force that we have working on that that's found some pretty astonishing things going on with thousands of audits that they've made, hundreds and hundreds of indictments and convictions. They found one shop one place where the government was buying something—a brace—for $132, and they were being sold at the local hardware store for $4.

Now, in those areas I think most Montanans would say, "Not bad." Then we come to the deficits.

You know, the actress Clara Bow once said of that famous Montana movie star, Gary Cooper—she said, "When he puts his arms around me I feel like a horse." [*Laughter*] Well, for a conservative President like me to have to put his arms around a multibillion-dollar deficit, it's like holding your nose and embracing a pig. [*Laughter*] And believe me that budget deficit is as slippery as a greased pig.

We're looking into all kinds of ways to get that deficit down. I don't like giving the Federal Government one penny more than necessary, but I have endorsed the Senate tax bill now before the Congress, because it's essential to our economic recovery program. It's essential to saving next July's 10-percent tax cut and the indexing I mentioned of the tax rates that will follow. For all the commotion surrounding the bill, it will have very little if any effect on the majority of individual taxpayers.

Now some of my friends in the press continue to refer to the tax measure I've mentioned—the one that's now in the conference committee—as the biggest single tax increase in history. It is nothing of the kind. It totals about $99 billion over the next 3 years—'83 through '85—but $31 billion of that isn't a new or added tax in any way. It is the collection of tax now legitimately owed by some citizens under our present laws and which they have not been paying.

Now, about half the total in the bill is correcting unintended tax advantages which have resulted from sloppiness in some legislation. One example is a technical flaw in a bill passed several years ago which resulted in some corporations getting a 60-percent tax reduction simply because of that technicality which had never been intended in the passing of the bill. It was totally uncalled for that they should continue to get that.

And finally we come to what is new taxes in the bill—less than $1 out of 5 in the 99 billion tax package is a new tax—17 to 18 billion dollars in all. Our tax cuts, with the 10-percent income tax cut that you will get next July, will save you over those same 3 years $406 [$402][2] billion that will stay in your pockets and not go to Washington.

Now, this tax program is part of the entire budget process, and it was essential in getting support for further reductions in spending. In order to get $280 billion in reduced outlays over the next 3 years against those deficits, we had to agree to the added revenues of 99 billion. The ratio of reduced spending outlays to revenues is 3 to 1.

The bottom line is this: Would you rather reduce deficits and interest rates by raising revenue from those who are not now paying their fair share, or would you rather accept larger budget deficits, higher interest rates, and higher unemployment? And I think I know your answer.

I believe this bill will help bring interest rates down. And interest rates, while still much, much too painful, have dropped al-

[2] *White House correction.*

ready from 21 percent when we got to Washington last year to 15 percent today. Now, certainly, 15 per cent still hurts all kinds of people in all walks of life. But it's evident that interest rates can and are coming down. And if the Congress acts responsibly on the budget cuts, we expect the downtrend to continue.

Now, as you know, unemployment nationwide rose to 9.8 percent last month. And you don't know how much I wish I could stand up here today and say that the pain of the unemployed would be over by Labor Day, the day we honor the American working man and woman. How easy it would be to pour your tax money and money government would have to borrow into temporary make-work projects. But from past experiences, as we know, that's not the answer. That's the kind of quick fix that got us into the trouble we're in. It only makes the economic problems worse.

To the people of our land who are without jobs, let me speak directly. You are not forgotten. I understand your anguish. I saw it at firsthand in my own father's experience in the Great Depression. I know how important a job is to a person's self-confidence and self-image. The citizens who've been laid off from their jobs want results—not platitudes from politicians. And that's what we're working for. We're building the base for an economy that will provide solid, secure jobs and economic growth on which people can plan their lives and their futures.

Last week, on the anniversary of last year's tax-cut vote, there were the predictable partisan cries that the program that we put into effect last year had failed. Well, it's only been in operation 10 months, with a major part of the tax cut starting only last month and the other installment, as I've said, due next year. Now, we warned you in the beginning that there would be no instant miracles. If I could correct 40 years of fiscal irresponsibility in 1 year, I'd go back to show business as a magician. You know, that might be more fun pulling rabbits out of a hat than jackasses out of the way in Washington.

Economic recovery is long, hard work, but surely and slowly, we're going to make this economy great again. The question that I have for our critics is, what's their alternative? They've had a lot to say about our economic recovery program—without mentioning that inflation has been cut in half, real earnings are up for the first time in quite awhile, and the rate of increase in government spending is a little more than half what it was in 1980. So far they haven't said anything about what they would do differently. So, we can only assume they'd go back to the same old tax-and-borrow-and-spend policy that gave us a trillion-dollar debt and deficits for 19 of the last 20 years, plus double-digit inflation and the highest interest rates in a hundred years. This country didn't become great by simply repeating our mistakes, but by recognizing and correcting them and moving ahead like the pioneers of Billings.

I began these remarks by speaking of the ideals that you hold dear. Well, let me close on that same theme. What we're trying to do in Washington is reawaken the government to the very values that you here in Billings represent—determination, responsibility, confidence, and common sense—the kind of common sense that says if it ain't broke, don't fix it. We are reintroducing the idea that progress is still an American word and that optimism is still an American trait. I believe if we cling to our hopes and dreams, I believe the future will flower just as it did for the founders of Billings, Montana.

I'm told that Montana was known to the Indians as the Land of Shining Mountains. Well, let us keep the mountains of Montana shining in hope and optimism. Let us keep the mountains of California and Tennessee and New Hampshire shining with the same confidence in the future, for if we can make the values of our people shine again, their glow will light America's path for generation after generation to come. And we can be, as one of those pilgrims said before landing on the Massachusetts shore all those hundreds of years ago, that what we could have here is a shining city on a hill.

Thank you all, and God bless you all.

Note: The President spoke at 11:49 a.m. inside the Metra Arena.

Remarks at a Fundraising Luncheon in Billings, Montana, for United States Senate Candidate Larry Williams

August 11, 1982

Well, thank you very much for a very and most heartwarming welcome. Larry Williams, I thank you for those kind and generous words. Old friends here at the head table and distinguished guests who are here and you ladies and gentlemen, just to think that Larry's opponent's probably holding a fundraiser someplace in another State. [*Laughter*]

But it's a real pleasure to be with you in the Nation's "Treasure State." Every day at the White House I pass a painting that's hanging in the hall near my office. It's a spectacular view of Montana, captured by your native son, Charles Russell. And one could argue whether your treasure is in your shining mountains, your forests, your farms, cattle ranges, or in the metal under the ground. I know you have these riches and more, but in the State of Montana you nurture an American treasure that's even more priceless: the frontier spirit of your people.

An Englishman in the 19th century described the pioneers of the American West by saying, "Motion was in their days." City dwellers, cowpunchers, miners, mountainmen across this vast State share a strength that was born of self-reliance, the kind of "can-do" attitude that tamed this continent. This harvest season, as your fields of green wheat ripen, America needs to reap more than your abundant grain—to export your spirit, to help with the renewal of America. Send Larry Williams to Washington to work with us as a United States Senator. We have a Congressman that's here—Marlenee—there already, so we have an expectation of what another Montanan can do to help in Washington.

Republicans have been a majority in the Senate now for a year and a half—an important reason why we have been able to achieve such historic reversals of the big spending, big taxing policies that got us into this recession. With their help we not only slowed the growth of government, we cut it nearly in half—the annual rate of spending increasing far greater than the annual rate of increase in revenues from our taxing system.

We passed a tax bill that reduced the tax burden on American citizens by about—well, it will be $406 [$402][1] billion of savings to you over the 3 years—'83 through '85. We put in place an economic program that was already—has reduced inflation, as Larry told you, by half—more than half. And interest rates have come down also, and, as he said, by more than a quarter.

We have much more to do if we're to sustain the recovery that has just begun. We can't afford to yield to the budgetbusting currents of the past. And those Republican Senators are an important bulwark against the riptide of big government that had been dragging us under.

Because of the importance of building our margin in the Senate and Larry's commitment to our program, it's a special pleasure for me to speak on his behalf. As I've said before, no matter how tough my job gets, sometimes I wake up at night in a cold sweat thinking how much worse it could be if we didn't have a Republican majority in the Senate. As I said to a little group just a short time ago, imagine having two Tip O'Neills. [*Laughter*] But with your help we're going to make it an even bigger margin this November.

Some of you may not know that in 1980 nine Senate seats were decided by less than 2 percent of the vote, and Republicans won seven of those. And these few extra Senators have made all the difference.

We're this very week engaged in a battle to restore fiscal responsibility to the Federal Government. Now the battle is being waged over a tax bill passed by the Senate and being considered by the House. But the larger issue is whether or not the Federal Government can be made to live within its means.

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[1] *White House correction.*

Past Congresses and past administrations racked up huge deficits during the last 20 years as year after year the budget went unbalanced 19 times in those 20 years and our national debt grew larger. Today interest payments alone on that debt are more than the entire budget was in 1962, just 20 years ago. As a matter of fact, those who can remember back will remember for a while there, when it was getting close to a hundred billion, how Lyndon Johnson worked to try and not be the first one to hit a hundred billion dollars. And today that's the interest we pay on the debt that they were piling up.

The Federal Government has usurped more and more of our natural and national resources, driving interest rates skyward, our people out of work, and our country into recession. Now, I don't think the people of Montana will accept much more of that, and you shouldn't. And I'm determined to set this government on a course of fiscal sanity, eventually balancing the budget, but not on the back of the American taxpayer.

Now, I know that lately you've heard something different. You've heard that we're now backing the biggest single tax increase in our nation's history, and supposedly I have turned around and have given up on the original philosophy of cutting spending and so forth, and going in a different direction. Well, the tax bill that is now before the House will not raise income taxes on the average American. Three-quarters of the bill won't even have much of an effect on that middle-income taxpayer who faithfully and honestly fills out his forms every year. The bill is actually designed to better collect taxes that are owed but are not now being paid, to close unintended tax advantages for the few, and cut off unintended benefits. And this bill will help ensure that all businesses, no matter what their size, and all Americans, no matter how great their wealth, pay their fair share of taxes along with everyone else.

But, if I may, I welcome this opportunity to try and explain, because it hasn't been properly explained, and it hasn't been reported this way. Last year, we were successful in getting our tax-cut program phased in over a 3-year period. The next phase is coming in in July of 1983—another 10-percent cut in the income tax, some other things—and then indexing. And as you know what that means, that for all these years of inflation, every time a worker got a cost-of-living pay raise, that didn't make him any better off, just had him try to keep up with the cost of living. It, however, pushed him into a higher bracket of the income tax. And by the time he paid that, he was worse off than he'd been the year before. So, the standard of living in this country has been going down steadily.

When we finish getting that last installment of the income tax, then the last thing that is done is we index the brackets so they are indexed to inflation, if there's any left by then. And you won't move up into another bracket just from getting a cost-of-living increase.

Now, what we started this year—as we promised we would last—that there were more cuts to go in government spending, more reductions that had to be made in that rate of increase until we get that rate of increase down to, at least, level or less than the rate of normal increase in government's revenues. And this time, however, we found we could not put together the coalition, because we only control one House, not two—the coalition to get what we got last year, unless we would agree to some increased revenues. And what revenues do you think our opponents wanted us to increase? They didn't really call for an increase. They said, "Cancel the rest of those tax cuts that are yet to go into effect." And I dug in my heels and said, "Not by a—sight." [*Laughter*]

But it became evident that we could not get the spending cuts that were needed without. So, we had known and had spoken the year before of some areas that we knew where taxes were not being paid that were owed under the present tax laws. And we started volunteering a program of better administration of the tax program, better collection of those revenues. It wasn't enough of a compromise. So, the compromise has led to what is the $99 billion package over 3 years. And this is what they're calling the biggest tax increase in history. The tax increase they passed a couple of

years ago—before we got here—in social security payroll tax will take $112 billion more in those same 3 years, which is a little bigger than 99.

But the 99 is not entirely a tax increase—$31 billion of it is the collection of money presently owed, and not being paid; $17 billion of it represents some tax increases. And the other, roughly, 50 percent of the 99 billion represents correcting some legislation from the past that has led to unintended tax benefits. A piece of legislation, for example, that was passed several years ago, and that one particular industry in this country found an obscure paragraph, and it was interpreted by the courts in such way that they were able to get a 60-percent tax cut for themselves. That had not been intended in the legislation.

So, the actual tax increase is 17 percent. The containment of these others that are escaping is 31 percent. And the rest of it is, as I say, a tax reform closing some of these things that we think were giving advantages to some, but weren't available to all.

But that is the price we have had to pay for getting the reductions in spending. And what it amounts to over the next 3 years is—we will reduce—if this bill is passed—we will reduce the deficits by $380 billion, and 280 of that will be in reduction in spending outlays, and 99—call it a hundred—will be this present tax program. I figure that, yes, it's a compromise, but we're getting $3 reduction in outlays for $1 in the increased revenues. And you're still getting that $406 [$402] billion in tax cuts that we passed last year. And I figure the compromise is worth it, because the most important thing is, we must curtail those deficits, eliminate those deficits as soon as we can, and get the interest rates down so that prosperity will come back to this country.

You know, here in Montana it's easy to understand why Thomas Jefferson believed that America had room enough for our descendants to the thousandth and thousandth generation. And our task today is to reaffirm the principles that shaped on this land a way of life that is unique in history.

We've for too many years been told that the only logical place to turn for help of any kind is to Washington. And you know sometime—and I know that the people that have said this are well-intentioned. I know that many of the programs that have been proposed over the past had the best of intention—and set out and only wanted to help people. But when you set out to help people, you'd better be sure of what you're doing. And they weren't all that sure.

They make me think of the old story—and maybe some of you know it—of the fellow riding a motorcycle on a cold, winter day. And the wind was coming through the button holes on his leather jacket and chilling him till he stopped, got off the motorcycle, turned the jacket around, and put it on backward. Well, now he's all right from the cold, but his arm movement's kind of restricted. He hit a patch of ice, skidded into a tree. And when the police got there and elbowed their way through the crowd that had gathered, and they said, "What happened?" They said, "We don't know. When we got here he seemed to be all right, but by the time we had his head turned around straight, he was dead." [*Laughter*]

I've talked and stretched this tax thing, but I want you to know that we haven't neglected a lot of other things. We're asking for some constitutional amendments—and I'm very amused when I stop to think that 40 States or more have in their State constitutions that the budget must be balanced. The Federal Government's never had that, so it's got a trillion-dollar debt. And we have asked for a budget-balancing amendment to the United States Constitution that the Federal budget has to be balanced. And some people are calling it a hoax and saying that it'll never work. Why should the Federal Government think it can do what all the rest of us don't have to do in our private lives and what we don't have to do at local government and everyplace else. They'd better start spending within their means, and we're going to keep whittling at 'em until that's the way it turns out. [*Applause*]

And now that you've hinted that that's what you'd like—[*laughter*]—why, let me just say, you just be sure that you run Larry Williams out of Montana—just send him to Washington, D.C. He'll come back often, I

know, to check on things here, but we need him there. We need him in that Senate. We need his help just as we need your Congressman Marlenee there on the other side. And we hope in November that we'll add some more allies to his House over there so that we can move faster in what it is we're trying to do. But you know that you've got a good man here. You know where he stands and what he stands for. And I'll know when he gets there that he was sent there by Montanans. [*Laughter*]

Thank you very much.

Note: The President spoke at 1:32 p.m. in the Sheraton Ballroom at the Billings Sheraton Hotel. Earlier, he attended a reception for Mr. Williams at the hotel.

Following his appearance at the luncheon, the President returned to Washington, D.C.

Message to the Congress Transmitting the United States-Republic of Korea Fishery Agreement

August 11, 1982

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94–265; 16 USC 1801), I transmit herewith a governing international fishery agreement between the United States and the Republic of Korea, signed at Washington on July 26, 1982.

This agreement is one of a series to be renegotiated in accordance with that legislation to replace existing bilateral fishery agreements which are due to expire this year. I urge that the Congress give favorable consideration to this agreement at an early date.

RONALD REAGAN

The White House,
August 11, 1982.

Nomination of Robert B. Hotz To Be a Member of the General Advisory Committee of the United States Arms Control and Disarmament Agency

August 11, 1982

The President today announced his intention to nominate Robert B. Hotz to be a member of the General Advisory Committee of the United States Arms Control and Disarmament Agency. He would succeed Margaret Bush Wilson.

He is currently serving as senior editorial consultant for McGraw-Hill Publications. He is also an author and lecturer. He was with Aviation Week and Space Technology magazine in 1953–1979, serving in the following positions: editor and publisher in 1976–1979; editor in chief in 1955–1976; and executive editor in 1953–1955. He was Washington bureau chief for Aviation Week in 1946–1950. He served as New York bureau chief for the Milwaukee Journal in 1940–1942. He was assistant State editor for the Milwaukee Journal in 1939–1940 and reporter for the newspaper in 1938–1939. He was a reporter for the New York Herald Tribune (Paris edition) in 1936–1937.

He graduated from Northwestern University (B.S., 1936). He served in the United States Army Air Force in 1942–1946. He is married, has four children, and resides in Middletown, Md. He was born May 29, 1914.

Nomination of W. Scott Thompson To Be an Associate Director of the International Communication Agency

August 12, 1982

The President today announced his intention to nominate W. Scott Thompson to be an Associate Director of the International Communication Agency (United States Information Agency). He would succeed Robert John Hughes.

He has been serving as associate professor of international politics at the Fletcher School of Law and Diplomacy since 1969. He serves on the board of the Foreign Policy Research Institute and the board of editors of ORBIS, International Security Review, and Conflict. He was a research fellow at the Center for International Affairs, Harvard University, in 1979–1980. He was Assistant to the Secretary of Defense while serving as a White House fellow in 1975–1976. He held research fellowships at the University of the Philippines and the National Strategy Information Center.

Dr. Thompson graduated from Stanford University (B.A., 1963) and Balliol College, Oxford University (D. Phil., 1967). He is married, has three children, and resides in Chestnut Hill, Mass. He was born January 1, 1942.

Nomination of William Arthur Webb To Be a Member of the Equal Employment Opportunity Commission

August 12, 1982

The President today announced his intention to nominate William Arthur Webb to be a member of the Equal Employment Opportunity Commission for a term expiring July 1, 1987. He would succeed J. Clay Smith.

He has been serving as deputy attorney general for the State of Pennsylvania since 1980. He was assistant U.S. attorney for the Western District of Pennsylvania in 1979–1980. He was senior staff counsel for the U.S. House of Representatives Select Committee on Assassinations in 1977–1979. He served as assistant district attorney for Allegheny County, Pa., in 1975–1977. In 1974–1975 he was drug and alcohol analyst for the Governor's Council on Drug and Alcohol Abuse in Pittsburgh, Pa.

He graduated from the University of New Haven (B.S., 1971) and the University of Connecticut (J.D., 1974). He is married, has one son, and resides in Pittsburgh, Pa. He was born October 22, 1943.

Appointment of William K. Sadleir as Special Assistant to the President and Director of Presidential Appointments and Scheduling

August 12, 1982

The President today announced the appointment of William K. Sadleir to be Special Assistant to the President and Director of Presidential Appointments and Scheduling.

Since 1981 Mr. Sadleir has served as executive vice president and director of the Standard Energy Corp. and as chief executive officer of Standard Capital Group, Inc., a brokerage firm, where he supervised a

marketing team specializing in oil and gas drilling programs. From 1979 to 1980, he served as legislative assistant to Representative Dan Marriott (R-Utah), and from February to December of 1978, he served as campaign coordinator of the Marriott reelection campaign.

During the 1980 Presidential campaign, Mr. Sadleir participated in advance operations for campaign events for Ronald Reagan, and during the 1982 summit of industrialized nations, Mr. Sadleir assisted with arrangements for the President's visit to Versailles Palace.

Mr. Sadleir was appointed by the President to the Peace Corps Advisory Council in April 1982 and has served as executive director of the Americans for Energy Independence Political Action Committee and on the government affairs committee of the Utah Petroleum Association. In 1982 Mr. Sadleir was awarded the Utah Jaycees "Outstanding Young Man of the Year" award and in 1977 received the Edwin W. Hinckley Scholarship Award. He has also served as president of the Hinckley Scholars Association.

Mr. Sadleir attended Brigham Young University, where he studied economics, and has done graduate work at the George Washington University. He is married to the former DeAnn Jolley, has two children, and resides in Salt Lake City, Utah. He was born March 22, 1954.

Appointment of John S. McGowan as United States Commissioner on the International Commission for the Conservation of Atlantic Tunas

August 12, 1982

The President today announced his intention to appoint John S. McGowan to be United States Commissioner on the International Commission for the Conservation of Atlantic Tunas. He would succeed Harold Cary.

Mr. McGowan is serving as consultant to Castle & Cooke, Inc. He was senior vice president of Castle & Cooke, Inc., in 1977–1981 and vice president in 1972–1981. He was president and chief executive officer of Bumble Bee Seafoods, a division of Castle & Cooke, Inc., in 1966–1981. Mr. McGowan was president and chief operating officer of Bumble Bee Seafoods in 1963–1966 and executive vice president, Columbia River Packers Association, Inc./Bumble Bee Seafoods, Inc., in 1960–1963. He is a former director of the United States Tuna Foundation and is a former member of the American Fisheries Advisory Committee. He was a member of the United States Delegation to the first U.S./Japan Tuna Conference in Tokyo, Japan, in 1959.

He graduated from the University of Oregon (B.S., 1940). He is married, has three children, and resides in Lafayette, Calif. He was born June 10, 1918.

Statement by Deputy Press Secretary Speakes on the Situation in Lebanon

August 12, 1982

The President was shocked this morning when he learned of the new, heavy Israeli bombardment of west Beirut. As a result, the President telephoned Prime Minister Begin concerning the most recent bombing and shelling in Beirut. The President expressed his outrage over this latest round of massive military action. He emphasized that

Israel's action halted Ambassador Habib's[1] negotiations for the peaceful resolution of the Beirut crisis when they were at the point of success. The result has been more needless destruction and bloodshed.

The President made it clear that it is imperative that the cease-fire in place be observed absolutely in order for negotiations to proceed. We understand the Israeli Cabinet has approved a new cease-fire, which is in effect. It must hold.

Note: Deputy Press Secretary Larry M. Speakes read the statement at his daily press briefing in the Briefing Room at the White House.

In releasing the statement, Mr. Speakes announced that the President had two telephone conversations with Prime Minister Menachem Begin of Israel. Prime Minister Begin placed the latter call to tell the President that a complete cease-fire had been ordered by the Israeli Government. The President also received a telephone call from King Fahd ibn 'abd al-'Aziz Al Sa'ud of Saudi Arabia, who expressed his concern over the situation in west Beirut. Secretary of State George P. Shultz was with the President during the conversations.

Message to the Senate Transmitting the United States-New Zealand Convention on Taxation and Fiscal Evasion

August 13, 1982

To the Senate of the United States:

I transmit herewith, for Senate advice and consent to ratification, a Convention between the United States of America and New Zealand for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, together with a related Protocol, signed at Wellington on July 23, 1982. I also transmit the report of the Department of State on the Convention.

The Convention, based on the OECD and draft United States model income tax conventions, takes into account changes in the income tax laws and tax treaty policies of the two countries. It provides limits on the tax at source with respect to taxes on investment income and provides rules for the taxation of capital gains, business profits, personal service income and other income. It also specifies the method used to avoid double taxation and provides for administrative cooperation between the tax officials of the two countries to avoid double taxation and prevent fiscal evasion.

I recommend that the Senate give early and favorable consideration to the Convention and related Protocol and give advice and consent to their ratification.

RONALD REAGAN

The White House,
August 13, 1982.

[1] *Ambassador Philip C. Habib, the President's emissary in consultations in the Middle East.*

Message to the Congress Transmitting the United States-Spain Fishery Agreement
August 13, 1982

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94-265; 16 USC 1801), I transmit herewith a governing international fishery agreement between the United States and Spain, signed at Washington on July 29, 1982.

This agreement is one of a series to be renegotiated in accordance with that legislation to replace existing bilateral fishery agreements scheduled to expire this year. I urge that the Congress give favorable consideration to this agreement at an early date.

RONALD REAGAN

The White House,
August 13, 1982.

Nomination of Fernando E. Rondon To Be United States Ambassador to the Comoros
August 13, 1982

The President today announced his intention to nominate Fernando E. Rondon, presently serving as Ambassador to the Democratic Republic of Madagascar, to serve concurrently as Ambassador to the Federal and Islamic Republic of the Comoros. He would be the first American Ambassador accredited to the Comoros.

Mr. Rondon entered the Foreign Service in 1961 and was vice consul in Tehran in 1962–1964. He attended French language training at the Foreign Service Institute in 1964–1965 and Arabic language training in Tangier in 1965–1966. He was principal officer in Constantine (1966–1967), consular officer in Algiers (1967–1968), and political officer in Antananarivo (1968–1970). He served on the National Security Council at the White House in 1970–1973. In 1973–1975 he was political officer in Lima. He attended the National War College in 1975–1976 and was Alternate Director of the Office of East Coast Affairs in the Department in 1976–1978. He was Deputy Chief of Mission in Tegucigalpa in 1978–1980, and since 1980 he has been Ambassador to the Democratic Republic of Madagascar.

Mr. Rondon graduated from the University of California at Berkeley (B.S., 1960). His foreign languages are Spanish, French, Arabic, and Persian. He was born May 6, 1936, in Los Angeles, Calif.

Remarks and a Question-and-Answer Session With Reporters on Federal Tax Legislation and the Situation in Lebanon
August 13, 1982

The President. I have a statement to open with.

Federal Tax Legislation

I suppose it's unavoidable that debates over controversial issues like the tax bill should give rise to more heat than light. Still, I think it's important that the American people get the facts behind the sound and fury.

To begin with, this tax bill is not, as it has so often been mislabeled, the biggest tax increase in history. That's plain hogwash. The tax bill would raise $99 billion in revenue over 3 years. The social security payroll tax hike that was passed by the Congress in 1977 will increase the cost of the taxpayers $112 billion over that same period. But more importantly, new personal taxes are only 17 percent of that $99 billion figure.

About 80 percent of the money raised by the tax bill will come from plugging loopholes and from better compliance—collecting money that is already owed to the government, but is not being reported. The goal is simple and just: to see to it that everyone pays his fair share—no more, no less. In other words, this bill is 80 percent tax reform, not tax increase. And it's designed with one crucial goal in mind—to raise revenue that, along with spending reductions, will help cut the whopping Federal deficits that are keeping interest rates up and too many Americans out of work.

It's part of a larger process implementing the budget resolution. Doing so will reduce outlays by about $3 for every $1 that is raised in tax—reducing deficits by $380 billion over 3 years and continuing our progress toward less government and more economic growth.

On taxes, the proof is in the bottom line. The typical American family this year is paying $400 less in taxes, and next year that will amount to $788—almost twice as much even after passage of the new tax bill. That still adds up to what we promised in the first place—the biggest tax cut ever for the American people.

Q. Mr. President, when you passed that big tax cut last year and signed the legislation, you thought that was going to cure the economy and get the job done. Why didn't it work? Why do we need a tax increase now?

The President. Sam [Sam Donaldson, ABC News], I've heard you ask that question before on the air, and I've wanted to answer you. Thank you for asking it here, where I could.

Q. Now's your chance, sir.

The President. Yes, I will. May I call to your attention that that program—the first installment of it and the smallest installment went into effect only about 10 months ago. And the second installment went in a month and a half ago, July 1st. And there is a remaining installment to go in on July 1st of 1983. But the very fact that something just simply goes into effect—the program and the incentive of the program is built on and based on the people and the businesses who are benefiting from these tax cuts, acquiring and accumulating that money, and then having it for use. And to simply say, "Well, the measure is passed and is now on the books as law," doesn't mean anything till the people begin to acquire the money.

But now I can also add, however, it is working. Granted, you don't suddenly see a bonanza, but beginning with the first minor tax cut, that first 5-percent installment, there has been an increase in personal savings that has not been true over the last decade. There has also been an increase now in real earnings—not just inflated dollars, but there's been running about a 4-percent increase in the actual real money that people have. The drop in inflation that has—I think we can take some credit for with all of our program—that drop in inflation has made a family with a $15,000 income, a family of four, have a thousand dollars more purchasing power now than they had in 1980. That's a thousand-dollar raise just through inflation alone, not counting the tax figure.

The fact that interest rates have come down, the fact that retail sales on an annualized basis have been rising since January at about 12 percent—all of these things, I think are the evidences that we have bottomed out in the recession. And I think that we're entitled to take some credit for that with the program.

Situation in Lebanon

Q. Mr. President, why didn't you take the kind of highly publicized, public action to stop the bombing in Beirut before you did yesterday? Perhaps hundreds of thousands could—or thousands anyway—could have been saved. Why not be—why not go public, no matter what you may have said in private, sir?

The President. Well, much of what we said—and we weren't silent or idle in all

this time that Habib[1] has been working—but the sensitivity of the negotiations were such that I avoided, as you know, anything that might interfere with those negotiations or in some way injure what Ambassador Habib was trying to accomplish.

However, yesterday the situation was that the negotiations were down—we had general agreement by all parties finally to the arrangement, and the negotiations were down to the logistics, the technicalities of getting the people—well, getting the PLO moving and so forth. And those negotiations, literally, were broken off by the extent of that bombing and shelling. The delegates couldn't even get to the negotiation meetings. And I have to be fair and say that, in my first call, I was informed then by Prime Minister Begin that he had ordered a cessation of the aerial bombing, and so, we discussed the artillery shelling from then on.

Q. Mr. President, why don't you tell us a little bit of how you felt in these 9 weeks with people being bombarded and your continuing to send weapons to inflict this horror on them? I mean, what has been your personal feeling?

The President. As I say, this was a matter of great concern, and we were trying to get an end to it. On the other hand, I think that perhaps the image has been rather one-sided, because of the Israeli capability at replying, but in many instances—in fact, most of them—the cease-fire was broken by PLO attacking those Israeli forces.

Q. Well, they were the invaders, were they not?

The President. Are they the invaders or is the PLO the invaders? Lebanon is the country——

Q. As of June 6th.

The President. ——but, on the other hand, if we look now at the stories that are beginning to come out and that some have been public, the PLO was literally a goverment and an armed force in another nation and beholden in no way to that other nation, which was one of the reasons why you didn't hear more protest from the Lebanese Government about the Israeli presence.

Q. Mr. President, you said that yesterday you did have a general agreement, and then there was this firing. Are we back on track today? Do we still have a general agreement? And would you go along with some forecasts that say the PLO evacuation will begin sometime next week?

The President. I'm reasonably optimistic. Now, see, I didn't say "cautiously." I'm reasonably optimistic about this, because I believe that this time the cease-fire is going to hold, and, as I say, the negotiations now are not the case of trying to persuade agreement on the part of the various parties. The negotiations are on the technicalities, the logistical move that must be made in getting them out. And so, I think there's reason for, great reason for hope.

Q. The PLO—would the evacuation start next week? As early as that?

The President. I can't—again, I don't want to speculate on that, because I'm not there at the negotiating table.

Here, and then I've got to get back there into those back lines there.

Q. Mr. President, yesterday your spokesman said you were outraged by what had happened. Can you tell us a little bit about what happened in your phone call with the Prime Minister? Specifically, did you raise your voice, and what was the tenor of the conversation?

The President. Well, this is something that I don't do. I won't comment on my communications whether written or spoken with other heads of state. I don't think that's proper, so I won't do that.

Japan and World War II

Q. Mr. President, what is your personal view on Japan's revision of history and the rationale regarding Japan's invasion of China and occupation of Korea, and, also, attack on Pearl Harbor—to justify the Imperial Japanese military actions elsewhere?

The President. Well, I think we'd be going into past history there. And, of course, those were tragic times. And we think there was a different philosophy than is governing Japan today. And I think the fact that we have been able to forget or

[1] *Ambassador Philip C. Habib, the President's emissary in consultations in the Middle East.*

forgive—whichever you want to use—that period, and become the good friends that we are today, I think, is what we should be more interested in. I would rather not rehash the war feelings that I'm sure were felt on both sides and that led to that tragedy.

Federal Tax Legislation

Q. Mr. President, in view of the fact that until recently, you had resisted any effort to raise revenues in the way that you're endorsing in this bill now, how concerned are you that, regardless of the merits of the matter, the perception among the public will be that you have done what the Republicans always accused Jimmy Carter of doing—flip-flopped on the tax issue?

The President. I think that the answer's very simple—and thank you for asking it. There isn't any flip-flop on this at all. I would prefer to reduce our budget deficits by continuing to reduce government spending. And I still think that there is more to be done in that regard. But let me point out that when we submitted our budget this year, the Congress refused to even consider it. And it was based purely on spending cuts. And finally, after long negotiations and the Gang of 17, as it was named—the bipartisan group that met trying to reconcile this problem—it became clear that we could not get the spending cuts we were asking for unless we would agree to some increases in revenue.

Now, our first effort to meet that was something that we had said a year ago when we were getting the tax cuts. We said that we were aware that there were areas where unintended tax advantages were being taken by some that were never intended in the legislation. We said, also, that we were aware that there were moneys owed to the government that were not now being collected, and that we were ready at any time to come forth with a package to try and propose that. So, we started in the negotiations with saying, let's implement those things that we've already found.

But the simple fact is, this tax package was tied to the spending cuts we want, and we couldn't have them without the other. But remember, also, that the first demands that were made on us were that we give up some of the tax cuts that we secured last year. And here I dug in my heels and said, "No; that tax program is based on incentives that I believe are necessary to get the economy moving again, and we will not give up."

Now, there is nothing in this $99 billion package that in any way interferes. And I think the significance can be pointed out in the figures—$99 billion over 3 years, only 17 of which is a new tax. And the savings from our tax cuts to the taxpayers will be $406 [402][2] billion over the same 3 years.

Q. Just to follow up briefly, the one thing that is included in this package is taxation—is withholding on taxation and dividends and interest. This is something that you, yourself, denounced during the campaign when President Carter proposed it.

The President. Mm-hm.

Q. As I recall, you said it was a violation of the fiduciary relationship between a person and a bank. What caused you to change your mind?

The President. Well, for one thing, he had asked for 15-percent withholding with no exceptions. Here, once having the information available that you have when you're in this job, we discovered in our studies that one of the areas where there is escape from paying taxes due is in the matter of reporting earnings from income and dividends. And that is one of the large areas where taxes that are due are just not being paid. So, with that in mind, we looked at that very situation.

But we have exempted fully 80 percent or more of the people over 65. They would have to have an income of—there's a couple of $14,400 before they would be eligible for withholding. For other people not over 65, you would have to have an income—average family would have to have an income of about 24,200-and-some dollars before theirs would be withheld.

So, what we found is that the withholding is going to apply basically to those people who are in an income bracket where they pay quarterly installments on their estimated income. And, thus, all that happens is the bank or the company paying the divi-

[2] *White House correction.*

dends will submit that to the government, and they will send their checks for the balance of what they owe.

Yes?

Deputy Press Secretary Speakes. Last question, please.

Situation in Lebanon

Q. Mr. President, has the Israeli action in Lebanon, often against U.S. wishes—the massive retaliation for violations of the cease-fire by the PLO, has that changed in any way the special relationship between Israel and the United States? And has it changed your own personal views toward Israel?

The President. No, I think—and I was concerned also that—the reason for the call, that it could endanger that—the manner in which it's being portrayed, there's been less emphasis on the provocation and more emphasis on the response. And, yes, I did and have voiced the opinion that the response many times was out of proportion to the provocation. But we can't deny that the Israelis have been taking casualties from those cease-fire violations themselves. I think the figure now is 326 dead of their own military from being attacked in the breaking of the cease-fire.

Q. Has it changed your own attitude?

The President. What?

Q. Has it changed your own attitude toward Israel?

The President. I still believe that this country has an obligation to pursue the peace process that was started in Camp David and that this country has an obligation to ensure Israel's survival as a nation.

Federal Tax Legislation

Q. Sir, do you approve of your people threatening Republican Congressmen on the tax bill?

Mr. Speakes. Sam, we have to quit.

Q. Are you going to make a speech Monday night?

Q. I was just going to ask if—if the President approves of his people threatening Republican Congressmen with the tax bill?

The President. Now, having asked that, I have to answer that.

No, we're not threatening anybody, and I'm going to do everything I can to get all the Republicans I can into office.

Q. But not threatening them with withholding your support or withholding funds or anything like that?

The President. No, no.

Q. Are you making a television speech Monday night?

The President. We're trying to—we're trying to make one early next week sometime. I don't know the exact time for it yet.

Mr. Speakes. Thank you.

Q. Thank you.

Note: The President spoke at 2 p.m. in the Briefing Room at the White House.

Proclamation 4958—Women's Equality Day, 1982

August 13, 1982

By the President of the United States of America

A Proclamation

On August 26, 1920, the 19th Amendment to the Constitution became law, granting women the right to vote. On this, the 62nd Anniversary of that historic day, we Americans can pause and take pride in the progress we have made toward the goal of equal opportunity.

We celebrate today not only the achievements of the past, but, also, our continued commitment to build an America in which all our citizens will share equally in the rights and responsibilities of our Nation.

In the intervening years since 1920, women have faithfully carried out responsibilities at all levels of government, in every area of employment and education, and in the nurturing of families and children.

Today, more than ever, we honor women for their contribution in helping to make America great. Let us help pledge anew to

dedicate our efforts to ensure equality of opportunity for every citizen of the United States.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim August 26, 1982, as Women's Equality Day. I call upon every American to join me in this tribute.

In Witness Whereof, I have hereunto set my hand this 13th day of Aug., in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 10:22 a.m., August 16, 1982*]

Interview with Jeremiah O'Leary of the Washington Times on Federal Tax and Budget Reconciliation Legislation

August 13, 1982

Mr. O'Leary. I only have 20 minutes or thereabouts, so I've tried to write some concise questions. So, let me put it to you this way. The conservative revolt that Jack Kemp is leading appears to be a challenge to your leadership of the party. And I wonder if you think this is a decisive battle with the far right—between the main body of the party?

The President. I don't know whether it's a decisive battle. But, very frankly, I am surprised, because I think the issue is so clear cut that when the facts are explained, how they can continue resistance to this when we have protected entirely the tax cuts passed last year and when, in fact, this is less a tax increase than it is a tax reform. Only about 17 percent of this represents new taxes on the people, and 31 percent represents collecting money that we're duty bound to collect, because it's owed and presently not being paid.

Mr. O'Leary. Nevertheless, there is a distinct rift in the party——

The President. Yes.

Mr. O'Leary. ——together, and I'm wondering how you plan to restore this GOP unity and your own leadership amongst the so-called dissidents.

The President. They're so far on the wrong side right now that I think maybe it's up to them to restore it with me——

Mr. O'Leary. Is Jack Kemp now out of your coalition——

The President. Oh, no.

Mr. O'Leary. Your backers?

The President. I don't bear grudges or anything, no. He's been here to the leadership meetings, and he's heard my side. I realize how strongly he—well, is almost, you might say, a purist to the extent that he just can't see the difference between reform and increase. And if it were a case of this present tax reform—which, incidentally, was not of our choosing. This was made necessary in order to get the spending cuts we're still trying to get. If it had resulted in altering the incentive tax cuts that we put in place, I could understand. I am just hard put to understand how he can continue to believe that this in some way represents a turn in my direction or philosophy, because it doesn't.

Mr. O'Leary. Does what he's doing—do you hold the theory of the allegation of what he's doing is his effort to buttress his own ambitions for the Presidency in 1984?

The President. No, I'm not going to make any suppositions of that at all.

Mr. O'Leary. You don't believe that?

The President. I'll just accept it as a legitimate disagreement.

Mr. O'Leary. Where are the Boll Weevils on this particular issue? They helped you very much last year.

The President. Now, this is awfully—I have been meeting with individuals and with groups from the Congress steadily for the last several days, and I have to tell you that this seems to me a more mixed situa-

tion, that there is division within these various groups, and I couldn't pin down exactly, rather than that one group that you just mentioned, Jack and that coterie that is a united group. I think there's a division in all the ranks—Gypsy Moths, Boll Weevils, Republicans, Democrats—on support of this. And what I've been doing in the meetings is simply trying to correct the misperception they have of it, and, in many cases, that's been successful, that they have come in with a misunderstanding of what we're trying to do.

Mr. O'Leary. Well, I've never seen you work so hard as you have in the past 2 weeks. Do you think you have attained the 100 votes or near it that the Democrats say—have to get before they'll support it?

The President. I don't know. All I can say is that everything indicates we're making progress.

Mr. O'Leary. You don't want to predict victory yet?

The President. No.

Mr. O'Leary. Down to the wire?

The President. Yes, you know, I'm cautiously optimistic all the time.

Mr. O'Leary. Are you going to keep this pace up all the way through Tuesday?

The President. It's going to depend on whether it's necessary or not.

Mr. O'Leary. You haven't decided whether to go to the Nation on television yet?

The President. Well, we were talking about this early in the week, because, again, much of the press coverage, I think, has contributed to a misconception about this. And I, in these couple of trips that I've made out in the last few weeks into the country, I discovered that this constant drumbeat of biggest tax increase in history when it's nothing of the kind has—well, the people are uninformed. And when I have had an opportunity, as I did in Billings, Montana, the other day, to explain what it is we're doing, I found then the people were in support.

Mr. O'Leary. Well, why do you think the conservative Republicans are resisting this bill so much? Is it because it taxes people who haven't been paying and should have been, or because it reduces tax benefits on things like construction or things like cigarettes, dividend interest, or is this just an election-year reaction?

The President. I think it is, pretty much, an election-year reaction, and the idea that they may be portrayed as, now, supporting tax increases when we have been the party going the other way. Of course, I must say that some of those conservative voices—I have to be frank and say they cannot be described as people who were followers and have abandoned me. Some of them never were for me.

Mr. O'Leary. Like the Conservative Digest? [*Laughter*]

The President. Yes. [*Laughter*]

Mr. O'Leary. I have read your letter, the last part of the letter.[1]

Do you feel that you have met your mandate to reduce spending and taxes, in view of the figures that the Wall Street Journal had? I do not want to get this too complicated. They said spending this year is 24.1 percent of the GNP, compared to 21.9 in the '75 recession, and 22.5 in the last Carter year, the GNP, now, being 24.1—higher than either of the previous recessions.

The President. Well, of course, you have got to recognize that in the depth of this recession, there had been a bigger dip in the—percentagewise, also—in the gross national product. What I am counting on—we are going to get that percentage down. We think that the percentage has been too high for a number of years of gross national product. But we are talking about a normal gross national product also.

We have had a long period in which the GNP has been going down, and only just recently, in this last quarter, did it show any increase at all. The percentage that we are aiming at is to reduce the percentage of increase in government spending each year. And, when we took office, it was running at 17 percent a year, increasing.

Now, remember, on the other hand, we have an obligation that I accepted during the campaign of one area where there would be increased spending. And that was to rectify the damage that has been done to

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[1] *Mr. O'Leary was referring to the letter the President wrote in response to a letter from John D. Lofton, Jr., editor of the Conservative Digest.*

our national security and national defense. And, many times in the campaign, I was asked by people in question-and-answer sessions, and sometimes by the press, if I found that I came down to choice of balancing the budget or doing what needed to be done for national defense, which side would I come down on? And I said every time, "On the side of national defense." And, incidentally, to audiences, when that was asked, that answer always received applause, which indicated to me that the American people have been well aware that our defenses had been allowed to deteriorate.

Mr. O'Leary. Were you aware that Ed Meese[2] said yesterday in a speech here that the conservatives' way has not worked, and that now, quote, "We have to try something else." Does that mean that the administration or yourself was reconsidering supply-side economics?

The President. No. And I think maybe he was talking about those same dissidents that you've been talking about there, and I'd like to see the whole framework or the manner in which it was asked or something. The—no, I still believe in the combination: first of all, continued reduction in spending; at the same time, that—for the economy's sake and to get it rolling again—that we must also, as we can, reduce the percentage that government is taking in taxes from the people.

Now, to that extent this is probably what Jack Kemp is relying on, that wherever it may come from, that this $99 billion now is coming from the private sector and going to government.

Mr. O'Leary. You're certainly perceived as further to the center than Kemp is right now, or he's further to the right than you are, but——

The President. But, again, as I say, the answer to that I can give him is: You couldn't add the other, which is all-important. It was made plain to us this year. We did not come in with the proposal to raise revenues. We came in with the proposal for more cutting of spending. And found out this time—and crossing the aisle, Democrat and Republican—we could not put together a coalition for the continued spending cuts unless we would agree to some added revenues.

Now, when, over a 3-year period, those revenues turned out to be—revenue increases—$99 billion, $31 billion of which is money owed the Government not being collected—and in that same 3-year period our tax cuts are going to bring in $406 [402][3] billion to the people—then I figured that the price was not too high in return for getting $280 billion in reduced outlays, $3 for every $1 of revenue.

Mr. O'Leary. What is your opinion of the reported threat—I don't know if it's a real threat or a reported threat—that Republican National Committee campaign funds might be withheld from House candidates in November if they don't vote for this bill?

The President. Well, I don't see that. I don't know that that's anything more than rumor. My own feeling is we—I'm going to do my best to campaign for Republicans and get Republicans in office here——

Mr. O'Leary. No matter how they vote on the tax bill?

The President. That's right. You—and you go for the entire record.

Mr. O'Leary. But there are large tax increases in the bill, although it's not entirely a tax bill—although not on personal income. And I know you'd rather have what this—cut pass. What was Larry's[4] word—was we "choked" on it, I think.

The President. That was his word. I swallowed——

Mr. O'Leary. Swallow hard. That's——

The President. Yes.

Mr. O'Leary. But what is the rationale for cutting $17.5 billion from the Federal health and welfare programs?

The President. Because, here again, people automatically transfer that into a reduction of care for those who really need it. What we see these as, these cuts, are based on our estimates of how we can continue to give the necessary care but eliminate the fat that has grown in the program.

When we reformed welfare in California, we found out that in the Medicaid program,

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[2] *Counsellor to the President.*

[3] *White House correction.*

[4] *Larry M. Speakes, Deputy Press Secretary to the President.*

for example, the Medicaid patients were averaging several times as long in a hospital for an operation as private patients were for the same operation. Now, we don't think that means that they were that much worse off. I think some of it was that it was easier for a doctor to just leave them there and see them on his morning rounds than to have an office call or a house call or something. It wasn't—they had no reason to get out. The average patient, you or I in a hospital, we know the price of the room, and the first thing we start asking is, "How soon can I go home?" Well, where they have no concern, they were willing to convalesce.

It's that type of thing that we think will result from the tightening in the amount of money.

Mr. O'Leary. Are you convinced that this reduction of 17.5 will not do harm or damage to any of the people who have need of these services?

The President. No, I don't think it will.

Mr. O'Leary. Will you veto—I know you don't like to forecast vetoes, but strong signals, let's say—the urgent supplemental bill that's coming down, even though it contains the CBI [Caribbean Basin Initiative] as sort of a hostage?

The President. Let me say, you——

Mr. O'Leary. This doesn't come out until Monday.

The President. ——you almost answered the question yourself. In principle, I have told the Congress I am going to veto budget-busting bills, if I have to do that in order to make them match this tax increase with the cuts in spending that are supposed to be attached to it. But I do refrain from announcing a veto of any specific bill until it arrives on my desk and I see it.

Mr. O'Leary. We all know what it's like now. Do you think you can get the CBI out of another CBI separate bill out of the Senate later?

The President. I don't know. I'll tell you this: I wish that the President of the United States had the power that most Governors have in their own States, which is the right of line-item veto. It would sure make the job simpler.

Mr. O'Leary. I'll see if I can't arrange that.

I was going to talk only about taxes, but I hope you let me—allow me as I terminate here one question about the Middle East. Sometime ago you said out on the lawn that you were out of patience a long time ago, presumably with Israel's constant assaults on Beirut. And yesterday you spoke in terms that can only be called stern or harsh to Mr. Begin. But what can you do to curb Israeli military action if the current effort by Habib [5] fails—that's a hypothetical question—but if they begin bombarding again today: recall Habib, cut off military assistance?

The President. Well, there are—there are any number of options. I haven't set any down as priorities as to which way we'd go, but I'm hopeful that I don't have to because my conversation was very satisfactory. And the cease-fire is in effect, yesterday, one of the reasons why I felt this was time to really—we've been in communication, and the only reason why they haven't seen any action about it before is because the negotiations have been so sensitive, that any public statement might do something harmful to them. But now the negotiations had reached the point of the actual logistics; all parties were agreed, in principle, logistics of the move out. And suddenly that bombardment made it impossible for them to continue those negotiations. So, I must say in my first call to Begin, he told me that he had already ordered a cessation of aerial bombing and——

Mr. O'Leary. Did he tell you he was going to curb [Israeli Defense Minister] Sharon's powers, too?

The President. No, that never came up.

Mr. O'Leary. That might help. [*Laughter*]

Who will be the first troops to show up—the Americans, the French, or the Italians?

The President. The what?

Mr. O'Leary. The Americans, the French, or the Italians?

The President. It was my understanding that the—there were some liaison officers—that both French and America went in. And there's been no final decision yet, because there's been no formal invitation.

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[5] *Ambassador Philip C. Habib, the President's emissary in consultations in the Middle East.*

Mr. O'Leary. The Israelis oppose that, don't they?

The President. Well, then that's still part of what Habib's talking about.

Mr. O'Leary. Because it doesn't matter to you whether the Americans are first, second, or third?

The President. No.

Mr. O'Leary. I hope I haven't overstayed my time.

Thank you, Mr. President.

The President. All right. It was good to see you again.

Note: The interview began at 1:36 p.m. in the Oval Office at the White House. The transcript of the interview was released by the Office of the Press Secretary on August 15.

As printed above, this item follows the text of the press release.

Address to the Nation on Federal Tax and Budget Reconciliation Legislation

August 16, 1982

My fellow Americans:

There's an old saying we've all heard a thousand times about the weather and how everyone talks about it but no one does anything about it. Well, many of you must be feeling that way about the present state of our economy. Certainly there's a lot of talk about it, but I want you to know we're doing something about it. And the reason I wanted to talk to you is because you can help us do something about it.

Believe me, if some of you are confused, I can understand why. For some time, ever since we started planning the 1983 budget for the fiscal year beginning this coming October 1st, there's been a steady drumbeat of "reports" on what we're supposed to be doing.

I know you've read and heard on the news a variety of statements attributed to various "authoritative government sources who prefer not to have their names used." Well, you know my name, and I think I'm an authoritative source on this since I'm right in the middle of what's going on here. So, I'd like to set the record straight on a few of the things that you might have heard lately.

I'm sure you've heard that "we're proposing the largest single tax increase in history." The truth is, we're proposing nothing of the kind. And then there's the one that "our economic recovery program has failed, so I've abandoned it and turned to increasing taxes instead of trying to reduce Federal spending." Well, don't you believe that one either.

Yes, there is a tax bill before the Congress tied to a program of further cuts in spending. It is not, however, the "greatest single tax increase in history." Possibly it could be called the greatest tax reform in history, but it absolutely does not represent any reversal of policy or philosophy on the part of this administration or this President.

Now, you may have heard that some special interests oppose this bill. And that's right; some do. As a matter of fact, some in the Congress of my own party object to this bill—and strongly. I'm told by many that this bill is not politically popular, and it may not be. Why then do I support it? I support it because it's right for America. I support it because it's fair. I support it because it will, when combined with our cuts in government spending, reduce interest rates and put more Americans back to work again.

Now, you'll recall that when our administration came into office a year ago last January, we announced a plan for economic recovery. Recovery from what? From a 1980 recession that saw inflation in double-digit figures for the second year in a row. It was 12.4 percent when we arrived. Interest rates had gone into outer space. They were at the highest they'd been in a hundred years with a prime rate that hit 21½ percent. There were almost 8 million Ameri-

cans out of work. And in several hard-hit industrial States, there already were pockets of unemployment reaching figures of 15, 18, and even 20 percent. I went to those areas; I know.

The cost of government was increasing at a rate of 17 percent a year. There was little we could do about the budget already in place. But we could do something about the one that had been proposed for the fiscal year beginning in October of our first year.

I'd campaigned on the belief that government costs should be reduced and that the percentage of the people's earnings taken by government in taxes should also be reduced. I also said that one area of government spending could not be reduced, but must instead be increased. That was the spending necessary to restore our nation's defenses, which had been allowed to deteriorate to a dangerous degree in the preceding 4 years.

Interest rates continued high as the months went by, and unemployment increased, particularly in the automobile industry and housing construction. Few could or would afford the high interest rates for home mortgages or installment buying of an automobile.

Meantime, we were putting our economic recovery program in place. It wasn't easy. We didn't get all the cuts we wanted. And we got some tax measures we didn't want. But we were charting a complete turnaround in government policy, and we did get the major part of what we proposed. The Congress mandated spending cuts of $130 billion over 3 years and adopted the biggest tax cut in history.

Now, this, too, was to be implemented over a 3-year period. It began with a 5-percent cut in the personal income tax beginning October 1st, 1981, then a 10-percent cut this last July, and another scheduled for July 1st, 1983. These will be followed by indexing of the tax brackets so workers getting cost-of-living pay raises won't be moved up into higher brackets. We have to realize inflation itself is a tax. Government profits by inflation, but indexing will put a stop to that.

There were tax cuts for business and industry to help provide capital for modernization of plant and equipment, changes in the estate tax, capital gains tax, and the marriage-penalty tax. Some who supported us on the spending cuts were fearful about cutting taxes in view of the continuing budget deficits. We felt that tax cuts had to be a part of our plan in order to provide incentive for individuals and for business to increase productivity and thus create jobs for the unemployed.

Now, it's only been 10 months since the first phase of our program went into effect. As I said earlier, there are those who say it's been tried and it failed. Well, as Al Smith used to say, "Let's look at the record."

Start with interest rates, the basic cause of the present recession: The prime rate was, as I said, 21½ percent. Well, last week it was 14½ percent. And as of today, three major banks have lowered it to 14 percent. Last week 90-day Treasury bills were paying less than 9 percent interest. One year ago they were paying 15½. That double-digit inflation, 12.4 percent, has been cut in half for the last 6 months. Real earnings are at last increasing for the first time in quite a long time. Personal savings, which trended downward throughout the last decade, are increasing. This means more money in the pool of investment capital. This will help further reduce interest rates.

All of this in only 10 months hardly looks like a program that failed to me. Oh, yes, I failed to mention that in the quarter just ended there was an increase in economic growth—the first such increase in a long time.

Our biggest problem—the last one to be solved in every recession—is unemployment. I understand how tough it is for those who are waiting for the jobs that come with recovery. We can have no rest until our neighbors, our fellow citizens who want to work, are able once again to find jobs. Again, let me say, the main obstacle to their doing so is continued high interest rates.

Those rates should be lower now than they are, with the success we've had in reducing inflation. But part of the problem is psychological—a pessimism in the money markets that we won't stay the course and continue lowering the cost of government. The projected increase in budget deficits

has added to that pessimism and fear. And this brings us back to that so-called greatest tax increase in history and the budget proposals now before the Congress.

When I submitted the 1983 budget to the Congress in February, it contained very significant spending cuts on top of those we obtained last year. This time, however, we couldn't get the support we had last year. Some who had not been happy about the tax cuts then were now insisting we must have additional tax revenues. In fact, they wanted to cancel the reduction scheduled for next July and cancel the indexing of tax brackets. Others proposed tax increases mounting to about $150 billion over a 3-year period. On top of this, there was resistance to the spending reductions we asked for, and even attempts to eliminate some of last year's cuts so as to actually increase spending.

For many months now we've been working to get a compromise budget that would further reduce spending and thus reduce the deficits. We also have stood firm on retaining the tax cuts already in place, because, as I said, they're essential to restoring the economy.

We did, however, agree to limited revenue increases so long as they didn't harm the incentive features of our economic recovery program. We ourselves, last year, had called attention to the possibility of better compliance with the tax laws—collecting taxes legitimately owed but which were not being paid.

Well, weeks and weeks of negotiations resulted in a congressional budget resolution combining revenue increases and further spending reductions. Revenues would increase over a 3-year period by about $99 billion, and outlays in that same period would be reduced by 280 billion. Now, as you can see, that figures out to about a 3-to-1 ratio—$3 less in spending outlays for each $1 of increased revenue.

This compromise adds up to a total over 3 years of a $380 billion reduction in the budget deficits. And remember, our original tax reduction remains in place, which means your taxes will still be cut $335 billion in these next 3 years, even with the passage of this present tax bill.

Now, let me take that $99 billion tax program apart, and you decide whether it's the biggest tax increase in history. Of the entire $99 billion, 32 billion is collection of tax presently owed under the present laws and which is not being paid. Now, to all of you who are paying your tax, simple fairness says we should collect from those who are freeloading. Roughly 48 billion of the 99 billion represents closing off special-interest loopholes which have resulted in unintended tax advantages for some—not all—taxpayers, some who are financially well able to pay their share. Now, this is also a matter of simple fairness. So, more than 80 percent of the tax bill is not new tax at all, but is better collecting and correcting of flaws in the system.

Now, this leaves $19 billion over 3 years of actual new taxes, which is far outweighed by the tax cuts which will benefit individuals. There is an excise tax on cigarettes, another on telephones. Well, for people who smoke a pack a day, that tax will mean an increase of only $2.40 a month. The telephone tax increase is only about 54 cents a month for the average household. Right now the tax reduction that we passed last year is saving the average family about $400 per year. Next year, even after this new tax bill is passed, the savings will almost double; they'll go to $788.

And here's what the totals look like. The new tax reform will raise in 3 years about, as I say, 99 billion. In the same 3 years, as I said a moment ago, our tax-cut program even after this increase will save you 335 billion.

Within the new bill there has, of course, been disagreement over some of the specific provisions. For example, there's considerable confusion over the proposal to have withholding of tax due on interest and dividends, just as it's withheld now on your wages and salaries. Many senior citizens have been led to believe this is a new tax added on top of the present income tax. Well, there is no truth whatsoever to that. We found that while the overwhelming majority of Americans faithfully report income from interest and dividends and pay taxes on it, some do not. It's one of the significant areas of noncompliance and is costing the government about $9 billion a year.

In the case of those over age 65, withholding will only apply to those with incomes of $14,450 and up per individual and $24,214 for couples filing a joint return. Low-income citizens below 65 will be exempt if their income is less than about $8,000 for an individual or 15,300 for those filing joint returns. And there will be an exemption for all interest payments of $150 or less. The only people whose taxes will be increased by this withholding are those who presently are evading their fair share of the tax burden. Once again, we're striving to see that all taxpayers are treated fairly.

Now, this withholding will go into effect next July, not this January 1st, as was earlier reported. Back during the campaign—on September 9th, 1980, to be exact—I said my goal was to reduce by 1985 the share of the gross national product taken by the government in taxes, reduce it to 20.5 percent. If we had done nothing, it would have risen to almost 25 percent. But even after passage of this bill, the Federal Government in 1985 will only be taking 19.6 percent of the gross national product.

Make no mistake about it, this whole package is a compromise. I had to swallow hard to agree to any revenue increase. But there are two sides to a compromise. Those who supported the increased revenues swallowed hard to accept $280 billion in outlay cuts. Others have accepted specific provisions with regard to taxes or spending cuts which they opposed. There's a provision in the bill for extended unemployment payments in States particularly hard hit by unemployment. If this provision is not enacted, 2 million unemployed people will use up their benefits by the end of March.

I repeat: Much of this bill will make our tax system more fair for every American, especially those in lower income brackets. I'm still dedicated to reducing the level of spending until it's within our income, and I still want to see the base of the economy broadened so that the individual's tax burden can be further reduced.

Over the years, growth in government and deficit spending have been built into our system. Now, it'd be nice if we could just cut that out of our system with a single, sharp slice. That, however, can't be done without bringing great hardship down on many of our less fortunate neighbors who are not in a position to provide for themselves. And none of us wants that.

Our effort to restore fiscal integrity and common sense to the Federal establishment isn't limited to the budget cuts and tax policy. Vice President Bush heads up a task force that's been reviewing excessive regulations. Already enough unnecessary and duplicative regulations have been eliminated or revised to save an estimated $6 billion every year.

Our Inspectors General have been mobilized into a task force aimed at ferreting out waste and fraud. They've conducted tens of thousands of audits, secured thousands of indictments resulting in many convictions. In the first 6 months of fiscal 1982 alone, they found $5.8 billion of savings and improved use of funds. Computer cross-checking has uncovered thousands of government checks still going to people who've been dead for several years.

Task forces from the private sector are engaged in a study of the management structure of government. What they've learned already indicates a great potential for savings by simply bringing government procedures up to ordinary modern business standards. Our private sector initiatives force, under William Verity, has uncovered hundreds of community and statewide projects performing services voluntarily that once were thought to be the province of government. Some of the most innovative have to do with job training and placement, particularly for young people.

What we need now is an end to the bickering here in the Capital. We need the bipartisan, comprehensive package of revenue increases and spending cuts now before the Congress. We need it to be passed.

We're not proposing a quick fix, an artificial stimulant to the economy, such as we've seen in the several recessions in recent years. The present recession is bottoming out without resorting to quick fixes.

Now, there won't be a sudden boom or upsurge. But slowly and surely, we'll have a sound and lasting recovery based on solid values and increased productivity and an end to deficit spending. It may not be easy, but it's the best way, the only way to real

and lasting prosperity for all our people.

Think of it, we've only had one balanced budget in the last 20 years. Let's look forward to the day when we begin making payments to reduce the national debt, instead of turning it all over to our children.

You helped us start this economic recovery program last year when you told your representatives you wanted it. You can help again—whether you're a Republican, a Democrat, or an Independent—by letting them know that you want it continued, letting them know that you understand that this legislation is a price worth paying for lower interest rates, economic recovery, and more jobs.

The single most important question facing us tonight is, do we reduce deficits and interest rates by raising revenue from those who are not now paying their fair share? Or do we accept bigger budget deficits, higher interest rates, and higher unemployment simply because we disagree on certain features of a legislative package which offers hope for millions of Americans at home, on the farm, and in the workplace?

Do we tell these Americans to give up hope, that their ship of state lies dead in the water because those entrusted with manning that ship can't agree on which sail to raise? We're within sight of the safe port of economic recovery. Do we make port or go aground on the shoals of selfishness, partisanship, and just plain bullheadedness?

The measure the Congress is about to vote on, while not perfect in the eyes of any one of us, will bring us closer to the goal of a balanced budget, restored industrial power, and employment for all who want to work. Together we can reach that goal.

Thank you. God bless you.

Note: The President spoke at 8:02 p.m. from the Oval Office at the White House. The address was broadcast live on nationwide radio and television.

United States-China Joint Communique on United States Arms Sales to Taiwan

August 17, 1982

1. In the Joint Communique on the Establishment of Diplomatic Relations on January 1, 1979, issued by the Government of the United States of America and the Government of the People's Republic of China, the United States of America recognized the Government of the People's Republic of China as the sole legal government of China, and it acknowledged the Chinese position that there is but one China and Taiwan is part of China. Within that context, the two sides agreed that the people of the United States would continue to maintain cultural, commercial, and other unofficial relations with the people of Taiwan. On this basis, relations between the United States and China were normalized.

2. The question of United States arms sales to Taiwan was not settled in the course of negotiations between the two countries on establishing diplomatic relations. The two sides held differing positions, and the Chinese side stated that it would raise the issue again following normalization. Recognizing that this issue would seriously hamper the development of United States-China relations, they have held further discussions on it, during and since the meetings between President Ronald Reagan and Premier Zhao Ziyang and between Secretary of State Alexander M. Haig, Jr., and Vice Premier and Foreign Minister Huang Hua in October, 1981.

3. Respect for each other's sovereignty and territorial integrity and non-interference in each other's internal affairs constitute the fundamental principles guiding United States-China relations. These principles were confirmed in the Shanghai Communique of February 28, 1972, and reaffirmed in the Joint Communique on the Establishment of Diplomatic Relations

which came into effect on January 1, 1979. Both sides emphatically state that these principles continue to govern all aspects of their relations.

4. The Chinese government reiterates that the question of Taiwan is China's internal affair. The Message to Compatriots in Taiwan issued by China on January 1, 1979, promulgated a fundamental policy of striving for peaceful reunification of the Motherland. The Nine-Point Proposal put forward by China on September 30, 1981, represented a further major effort under this fundamental policy to strive for a peaceful solution to the Taiwan question.

5. The United States Government attaches great importance to its relations with China, and reiterates that it has no intention of infringing on Chinese sovereignty and territorial integrity, or interfering in China's internal affairs, or pursing a policy of "Two Chinas" or "one China, one Taiwan." The United States Government understands and appreciates the Chinese policy of striving for a peaceful resolution of the Taiwan question as indicated in China's Message to Compatriots in Taiwan issued on January 1, 1979, and the Nine-Point Proposal put forward by China on September 30, 1981. The new situation which has emerged with regard to the Taiwan question also provides favorable conditions for the settlement of United States-China differences over the question of United States arms sales to Taiwan.

6. Having in mind the foregoing statements of both sides, the United States Government states that it does not seek to carry out a long-term policy of arms sales to Taiwan, that its arms sales to Taiwan will not exceed, either in qualitative or in quantitative terms, the level of those supplied in recent years since the establishment of diplomatic relations between the United States and China, and that it intends to reduce gradually its sales of arms to Taiwan, leading over a period of time to a final resolution. In so stating, the United States acknowledges China's consistent position regarding the thorough settlement of this issue.

7. In order to bring about, over a period of time, a final settlement of the question of United States arms sales to Taiwan, which is an issue rooted in history, the two governments will make every effort to adopt measures and create conditions conducive to the thorough settlement of this issue.

8. The development of United States-China relations is not only in the interests of the two peoples but also conducive to peace and stability in the world. The two sides are determined, on the principle of equality and mutual benefit, to strengthen their ties in the economic, cultural, educational, scientific, technological and other fields and make strong, joint efforts for the continued development of relations between the governments and peoples of the United States and China.

9. In order to bring about the healthy development of United States-China relations, maintain world peace and oppose aggression and expansion, the two governments reaffirm the principles agreed on by the two sides in the Shanghai Communique and the Joint Communique on the Establishment of Diplomatic Relations. The two sides will maintain contact and hold appropriate consultations on bilateral and international issues of common interest.

Statement on United States Arms Sales to Taiwan
August 17, 1982

The U.S.-China joint communique issued today embodies a mutually satisfactory means of dealing with the historical question of U.S. arms sales to Taiwan. This document preserves principles on both sides and will promote the further development of friendly relations between the governments and peoples of the United States and China. It will also contribute to the further reduction of tensions and to lasting peace in the

Asia/Pacific region.

Building a strong and lasting relationship with China has been an important foreign policy goal of four consecutive American administrations. Such a relationship is vital to our long-term national security interests and contributes to stability in East Asia. It is in the national interest of the United States that this important strategic relationship be advanced. This communique will make that possible, consistent with our obligations to the people of Taiwan.

In working toward this successful outcome we have paid particular attention to the needs and interests of the people of Taiwan. My longstanding personal friendship and deep concern for their well-being is steadfast and unchanged. I am committed to maintaining the full range of contacts between the people of the United States and the people of Taiwan—cultural, commercial, and people-to-people contacts—which are compatible with our unofficial relationship. Such contacts will continue to grow and prosper and will be conducted with the dignity and honor befitting old friends.

Regarding future U.S. arms sales to Taiwan, our policy, set forth clearly in the communique, is fully consistent with the Taiwan Relations Act. Arms sales will continue in accordance with the act and with the full expectation that the approach of the Chinese Government to the resolution of the Taiwan issue will continue to be peaceful. We attach great significance to the Chinese statement in the communique regarding China's "fundamental" policy, and it is clear from our statements that our future actions will be conducted with this peaceful policy fully in mind. The position of the United States Government has always been clear and consistent in this regard. The Taiwan question is a matter for the Chinese people, on both sides of the Taiwan Strait, to resolve. We will not interfere in this matter or prejudice the free choice of, or put pressure on, the people of Taiwan in this matter. At the same time, we have an abiding interest and concern that any resolution be peaceful. I shall never waver from this fundamental position.

I am proud, as an American, at the great progress that has been made by the people on Taiwan over the past three decades, and of the American contribution to that process. I have full faith in the continuation of that process. My administration, acting through appropriate channels, will continue strongly to foster that development and to contribute to a strong and healthy investment climate, thereby enhancing the well-being of the people of Taiwan.

Nomination of Three Members of the National Council on Educational Research

August 17, 1982

The President today announced his intention to nominate the following individuals to be members of the National Council on Educational Research of the National Institute of Education, Department of Education:

Paul Copperman, to serve for the remainder of the term expiring September 30, 1982, and for a term expiring September 30, 1985. He would succeed Joseph J. Davies, Jr. He is currently serving as president of the Institute of Reading Development, which he founded in 1971. He is the author of the book, "The Literacy Hoax: The Decline of Reading, Writing and Learning in the Public Schools and What We Can Do About It" and other publications. He resides in San Francisco, Calif., and was born June 28, 1947.

James Harvey Harrison, Jr., to serve for the remainder of the term expiring September 30, 1982, and for a term expiring September 30, 1985. He would succeed Timothy S. Healy. He is currently serving as program manager of Japanese, Chinese, Australian, Korean, Greek, Spanish, Norwegian, and German programs with Sperry Univac International Systems Division. He was senior computer systems consult-

ant/designer/analyst with Raytheon Service Co. in 1972–1977. He is married, has two children, and resides in Alexandria, Va. He was born September 13, 1927.

Wallie Cooper Simpson, to serve for the remainder of the term expiring September 30, 1982, and for the term expiring September 30, 1985. She would succeed John S. Shipp, Jr. She is the founder and director of the Lower East Side International Community School in New York City. She was director of the DeWitt School in New York City in 1975–1976. She is married, has three children, and resides in New York City. She was born September 15, 1931.

Remarks of the President and Head of State Samuel K. Doe of Liberia Following Their Meetings

August 17, 1982

The President. It's been a pleasure to welcome Liberian Head of State Samuel K. Doe on his first visit to the United States.

It's especially fitting that we should be meeting this year as the United States and Liberia celebrate 120 years of diplomatic relations. Our discussions gave us an opportunity to reaffirm the special friendship and mutual respect between our two countries.

Clearly a firm bond unites Liberians and Americans who have come together professionally and socially throughout the years. Our two governments have a long history of cooperation on bilateral and international issues.

Chairman Doe told me of his government's ambitious goals, including the return to democratic institutions and economic stabilization. We welcome his emphasis on bringing the benefits of development to every corner of Liberia. And today we discussed how the United States can assist Liberia in achieving these goals.

As I stated clearly in our discussion, the United States stands by its commitments to Liberia, and looks forward to continued, mutual cooperation. My meeting with Chairman Doe marks the beginning of his 2-week visit to the United States. And he made me a little envious when he told me that his next stop after Washington is going to be—well, not exactly the next stop, but the next one after—is going to be Los Angeles, California. But in addition to meeting with a wide range of administration officials and Members of the Congress, he will have an opportunity to meet many Americans outside the government and Liberians who live in the United States as well.

The personal ties among our private citizens play an important role in the special relationship between our two countries. I hope the longstanding ties between our two people and between our governments will be further strengthened in the years ahead.

And, Mr. Chairman, you're most welcome.

The Chairman. Ladies and gentlemen of the press, I am extremely happy to be in the United States of America, long considered the land of the free and the home of the brave. My visit here today is in response to the kind invitation extended me by President Ronald Reagan, a man of abiding courage, strong will, and foresight.

As you know, Liberia and the United States have a long and historic friendship—we span more than 150 years. However, as Liberia's first leader to visit the United States, my presence here is significant in two principle respects: firstly, to first reaffirm our traditional friendship with the United States; secondly, the portrayal to the world the United States continuing identification with and support for Liberia.

In discussions with President Reagan, I have explained the causes of the Liberian revolution and the economic problems which presently confront the country. I also voiced my country's hopes and aspirations for the maintenance of the free enterprise system and our adhering to democratic ideals. Together President Reagan and I discussed matters of international concern, particularly the war in Lebanon and independence for Namibia. I also outlined the economic measures being taken by our

government to achieve economic recovery and promote private sector investment. We are sure that these conditions are indispensable to the achievement of the smooth transition of a civilian government in 1985.

Ladies and gentlemen of the press, President Reagan assured me we can continue to count on America's understanding and support for the fulfillment of the objectives of our revolution. This is a most welcome assurance. It demonstrates the Reagan administration's commitment to maintaining the United States economic and strategic interests in Liberia.

Our country serves as a mirror through which African nations can assess America's support and commitment to developing countries. It is our belief that with the kind of mutual interests we share, the United States should recognize that Liberia could serve as a mirror through which its support to developing countries could be assured.

Thank you very much.

Note: The President spoke at 12:59 p.m. to reporters assembled at the South Portico of the White House. Earlier, the President and Chairman Doe, Head of State and Chairman of the People's Redemption Council, met in the Oval Office. They then held a working luncheon, together with U.S. and Liberian officials, in the State Dining Room.

Executive Order 12379—Termination of Boards, Committees, and Commissions

August 17, 1982

By the authority vested in me as President by the Constitution and statutes of the United States of America, and to terminate the establishing authorities for committees that are inactive or no longer necessary, it is hereby ordered as follows:

Section 1. Executive Order No. 12071, as amended, establishing the President's Commission on Pension Policy, is revoked.

Sec. 2. Executive Order No. 12042, creating a Board of Inquiry to Report on Labor Disputes Affecting the Bituminous Coal Industry in the United States, is revoked.

Sec. 3. Executive Order No. 12085, creating an Emergency Board to Investigate a Dispute Between the Norfolk and Western Railway Company and Certain of Its Employees, is revoked.

Sec. 4. Executive Order No. 12132, creating an Emergency Board to Investigate a Dispute Between the National Railway Labor Conference and Certain of Its Employees, is revoked.

Sec. 5. Executive Order No. 12095, creating an Emergency Board to Investigate a Dispute Between Wien Air Alaska, Inc., and Certain Individuals, is revoked.

Sec. 6. Executive Order No. 12159, creating an Emergency Board to Investigate Disputes Between the Chicago, Rock Island, Pacific Railroad and Peoria Terminal Company and Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees; and the United Transportation Union, is revoked.

Sec. 7. Executive Order No. 12182, creating an Emergency Board to Investigate a Dispute Between the Long Island Rail Road and Certain of its Employees, is revoked.

Sec. 8. Executive Order No. 12207, creating an Emergency Board to Investigate a Dispute Between the Port Authority Trans-Hudson Corporation and Certain of its Employees, is revoked.

Sec. 9. Executive Order No. 12262, establishing an Interagency Employee Benefit Council, is revoked.

Sec. 10. Executive Order No. 12275, establishing the Design Liaison Council, is revoked.

Sec. 11. Executive Order No. 11829, as amended, establishing the Hopi-Navajo Land Settlement Interagency Committee, is revoked.

Sec. 12. Executive Order No. 11022, as amended, establishing the President's Coun-

cil on Aging, is revoked.

Sec. 13. Executive Order No. 12192, establishing the State Planning Council on Radioactive Waste Management, is revoked.

Sec. 14. Executive Order No. 12075, as amended, establishing the Interagency Coordinating Council, is revoked.

Sec. 15. Executive Order No. 11782, establishing the Federal Financing Bank Advisory Council, is revoked.

Sec. 16. Executive Order No. 12089, as amended, establishing the National Productivity Council, is revoked.

Sec. 17. Executive Order No. 11330, as amended, establishing the President's Council on Youth Opportunity, is revoked.

Sec. 18. Executive Order No. 11256, establishing the President's Committee on Food and Fiber and establishing the National Advisory Commission on Food and Fiber, is revoked.

Sec. 19. Executive Order No. 11654, continuing the Federal Fire Council, is revoked.

Sec. 20. Executive Order No. 12083, as amended, establishing the Energy Coordinating Committee, is revoked.

Sec. 21. Executive Order No. 12285, as amended and ratified, establishing the President's Commission on Hostage Compensation, is revoked.

Sec. 22. Executive Order No. 12202, as amended, establishing the Nuclear Safety Oversight Committee, is revoked.

Sec. 23. Executive Order No. 12194, establishing the Radiation Policy Council, is revoked.

Sec. 24. The Veterans' Federal Coordinating Committee (Weekly Compilation of Presidential Documents, volume 14, number 41, page 1743) is terminated.

Sec. 25. The President's Council on Energy Efficiency (Weekly Compilation of Presidential Documents, volume 16, numbers 18 and 30, pages 790 and 1404) is terminated.

RONALD REAGAN

The White House,
August 17, 1982.

[*Filed with the Office of the Federal Register, 10:56 a.m., August 18, 1982*]

Letter to Representative Trent Lott, House Republican Whip, on Federal Tax and Budget Reconciliation Legislation

August 17, 1982

Dear Trent:

You know I strongly believe that enactment of the pending Conference Report on revenue and reconciliation is a price worth paying for lower interest rates, economic recovery, and more jobs. It is an essential element in the implementation of the Budget Resolution—which, if faithfully followed, will reduce deficits by $380 billion over three years.

This deficit reduction program is entirely consistent with our efforts to shrink the growth of government. It would involve almost $3 in outlay reduction for every $1 in revenue increase.

I recognize that there is some uncertainty about the ability to assure that future spending reductions will be achieved. But I am encouraged by the Congress' work on the pending reconciliation measures, which come very close to meeting their spending reduction targets. Further, I assure you that the Administration will not relax one bit in our continued pursuit of spending cuts.

I will, of course, resist any budget-busting spending measures that may come to my desk. And, lest there be any doubt on this point, I would ask you to remind your colleagues that as Governor of California I exercised the veto power successfully 993 times. I hope I will not have to use the veto so frequently here in Washington. But, for my part, I will—without reservation—do what has to be done to control spending.

Your support has been invaluable in the implementation of our program to date. With your continued strong leadership and support, we can continue to restrain government, as we restore America's strength and vitality.

Sincerely,

RONALD REAGAN

Nomination of William Alexander Hewitt To Be United States Ambassador to Jamaica

August 18, 1982

The President today announced his intention to nominate William Alexander Hewitt to be Ambassador to Jamaica. He would succeed Loren E. Lawrence.

Mr. Hewitt served with the United States Naval Reserve in 1942–1946 as lieutenant commander. He was with the accounting department of Standard Oil of California in San Francisco, Calif. (1938–1939), and the Texas Co. (TEXACO) in 1939–1940. In 1940–1942 he was a copywriter with Roos Brothers in San Francisco. He was advertising and sales promotion manager with Pacific Tractor and Implement Co. in Richmond, Calif., in 1946–1948. He was territory manager with John Deere Plow Co. in San Francisco in 1948–1950, and general manager in 1950–1954. He was with Deere and Co. in Moline, Ill., as executive vice president in 1954–1955, president and chief executive officer in 1955–1964, and chairman and chief executive officer since 1964.

He served on Presidential appointments as a member of the Special Committee on United States Trade Relations with East European Countries and the Soviet Union (1965), the National Advisory Commission on Food and Fiber (1965–1967); as incorporator of the National Corporation for Housing Partnerships (1968); as a member of the Presidential Task Force on International Development (1969), the National Council on the Humanities (1975–1980), and the President's Commission for a National Agenda for the Eighties (1980–1981).

Mr. Hewitt graduated from the University of California at Berkeley (B.A., 1937) and attended Harvard University Graduate School of Business Administration. His foreign language is French. He is married, has three children, and resides in Rock Island, Ill. He was born August 9, 1914.

Remarks Following a Meeting With the House of Representatives Bipartisan Leadership on Federal Tax and Budget Reconciliation Legislation

August 18, 1982

Well, contrary to appearances, this isn't a sentimental reunion of old political sparring partners. What this gathering does represent is a solid cross section of leaders and outstanding Members of the Congress.

Now, perhaps you've been informed—I don't know—there would have been some leaders and leading members in the leadership of the Senate here, but I understand that they're in the middle of a vote and, therefore, they're missing this occasion.

But some here are Democrats, some Republicans, some are liberals, some conservatives; but all of us here today are united by something much bigger than political labels. We're all Americans. We all want to get the American economy moving. And we all realize that to achieve this we must cut Federal deficits to bring down interest rates and create jobs.

Together we've been reviewing the situation. And speaking for myself, I've come out of the meetings as an optimist. Over the last 24 hours we've seen impressive evidence that the American economy is looking up. Yesterday's historic rally of the stock market and several leading economic indicators all point toward economic recovery. And a growing number of banks are lowering their prime interest rates.

We have to keep this momentum for prosperity going by passing the bipartisan legislation before the Congress to lower deficits by raising revenues and cutting spending. If enough Republicans and Democrats join together now to achieve this goal, interest rates will keep on coming down, and we'll get to the point where there will be jobs for all Americans who want to work. We can do it, but we can only do it together.

And I want to thank you all for coming.

Note: The President spoke at 5:41 p.m. to reporters assembled in the Rose Garden at the White House.

Executive Order 12380—Submarine Duty Incentive Pay

August 18, 1982

By the authority vested in me as President and Commander in Chief of the Armed Forces of the United States of America by Section 301c of Title 37 of the United States Code, and in order to implement incentive pay for submarine duty by Navy enlisted members and officers, it is hereby ordered as follows:

Section 1. Incentive Pay for Submarine Duty. Section 106 of Executive Order No. 11157, as amended, is further amended to read as follows:

"Sec. 106(a) As determined by the Secretary of the Navy, a member who is entitled to basic pay, who holds or is in training leading to a submarine duty designator, and who is in and remains in the submarine service on a career basis, is entitled to continuous monthly submarine duty incentive pay, subject to the performance of the required number of years of operational submarine duty (37 U.S.C. 301c(a) (3)–(4)), except as provided by 37 U.S.C. 301c(c).

"(b) As determined by the Secretary of the Navy, a member who is entitled to basic pay but is not entitled to continuous monthly submarine duty incentive pay is entitled to submarine duty incentive pay for any period during which such member performs frequent and regular operational submarine duty required by orders.

"(c) To the extent provided for by appropriations, a member of the Naval Reserve who is entitled to compensation under Section 206 of Title 37 of the United States Code, and who performs, under orders, duty on a submarine during underway operations, is eligible for an increase in such compensation equal to one-thirtieth of the monthly submarine duty incentive pay for the performance of that duty by a member of a corresponding grade and years of service who is entitled to basic pay when those orders specify such increased entitlement. Such member is eligible for the increase for each day served, for as long as he is qualified for it, during each regular period of appropriate duty.

"(d) The Secretary of the Navy is hereby designated and empowered to issue additional implementing regulations with respect to entitlement of regular and reserve officers and enlisted members of the Navy to submarine duty incentive pay, or continuous monthly submarine duty incentive pay.".

Sec. 2. Effective Date. In accord with Section 701 of Public Law 97–39, the amendments made by this Order shall be effective as of January 1, 1981.

RONALD REAGAN

The White House,
August 18, 1982.

[*Filed with the Office of the Federal Regis-*

ter, 2:32 p.m., August 19, 1982]

Note: The text of the Executive order was released by the Office of the Press Secretary on August 19.

Statement by Deputy Press Secretary Speakes on the Situation in Lebanon

August 19, 1982

We are of course extremely gratified by the Israeli Cabinet's approval of the plan, which is a tribute to the remarkable diplomatic achievement of the President's personal emissary, Ambassador Philip Habib. It sets the stage for implementation of the plan, which we expect to start as early as this weekend. We urge the parties to make every effort to clear up the remaining matters so that implementation can go forward as soon as possible.

Remarks to Reporters on House of Representatives Approval of Federal Tax and Budget Reconciliation Legislation

August 19, 1982

The President. On behalf of the American people, I want to thank the Members of both parties in the House of Representatives for today's—who made today's victory possible. This was a hard choice for many of them, especially in an election year. But when it came to the test, a bipartisan majority bit the bullet and voted for the revenue increases and spending cuts we so urgently needed to get deficits and interest rates down and Americans back to work.

This vote does not mark the end of the crusade to get our country's economy moving again, but it is an important milestone. Over the last 18 months, we've cut inflation in half. The interest rates are coming down. The latest economic indicators are pointing in the right direction. It hasn't been easy, and I fully appreciate what it's been like for millions of Americans who have borne the brunt of this recession and resisted the political calls for quick fixes. We must keep our faith with their patience, their courage, and their resolve.

Our duty is clear. We have to keep government spending and deficits moving downwards so that prosperity and economic growth can move up. And I pledge my cooperation with the Congress in the days ahead to work tirelessly for these vital objectives.

Let me also add a word to those who voted against this measure. Honorable men and women can honestly disagree. They can also leave their disagreements behind them and work together once the issue has been settled by free and open voting. It'll take the best efforts of us all to keep the American economy on the road to recovery. Let's leave our differences behind us and all of us get on with the Nation's business; an economic recovery that will mean more jobs and more opportunity for all of our people.

Thank you.

Q. Mr. President, why did you see it as such a squeaker? You had a pretty good margin.

The President. Well, I have to tell you that right down to the wire there was no one predicting anything but that it would be that close. There were—I know in my own calls and meetings with Congressmen of both parties on this, there were a great many who very frankly stated that they were still in the process of making up their minds. So, you didn't have a definite com-

mitment on them. And that's why there were conflicting reports coming as to which side might be ahead on this.

Q. Mr. President, are you concerned that you will lose conservative support out of all of this?

The President. No, not at all, because I think there's been a wrong perception. It was made evident the other night after I went on the air and explained this program. And immediately afterward, in certain surveys that were made and telephone checks that were made, it was amazing how many people had totally misunderstood the program or the bill and, once they understood it, that they said this now made them able to support it.

The first thing was, we have to think of the economic recovery program as not only just a separate bill that was passed last year; it is this entire, ongoing package. Just as our tax cuts are spread over several years, so are the spending cuts, with the idea that each year we would come back in with more that we had to do. And, therefore, to even have referred to this as a tax increase, I think, was wrong, because it was an adjustment of the tax cut that was passed last year and which still continues on into the coming years. And the truth of the matter is that even with this passed, the tax cut over the next 3 years will amount to $335 billion for the people. Next year they will double the gain that they have already made in their personal fortunes because of the tax cut.

So, I think that there was a perception on the part of some and an alarm that this represented some kind of change in philosophy. It does not. I still believe in the combination of incentive tax cuts that will increase productivity in this country and cuts, reductions in spending. And so I—no, I don't think it will hurt the movement at all.

Q. Mr. President, some of the polls that have come out indicate that the majority of Americans oppose this tax increase bill. Are you concerned that by the time election day rolls around and some of these explanations have blown away that all people will remember are things like the 8-cent cigarette tax increase?

The President. I think what they're going to see and what is going to happen, that they are going to be thinking about, is I think the economy is going to continue to improve. I think that a failure to have passed this would have been a setback to the improvement of the economy. I think we would have seen, probably, interest rates going back up and a stagnation of—and yet all the indices that we have now are supportive of the idea that things are getting better.

Q. You don't think this is going to hurt the Republicans in November.

The President. No, I don't think it's going to hurt anyone in November, frankly.

Q. Do you think the Senate is going to be easier than the House, Mr. President?

The President. Well, I don't know, but I think there we're going to see a bipartisan demonstration also.

Q. Mr. President, do you see this as a reaffirmation of your own prestige? You really have not lost one of these votes that you've gone all out to try to get.

The President. Oh—[*knocking on his desk*]—don't talk like that. You know, as an old sports announcer, I have to tell you that if a no-hitter is being pitched, you never mention it during the game or you'll jinx the pitcher. [*Laughing*] So, no, I think this is—there have been a lot of people working on this, and there was a great team effort on both sides.

Q. Are you glad it's over?

The President. You bet.

Q. Thank you.

Note: The President spoke at 6:28 p.m. in the Oval Office at the White House.

Nomination of Jay F. Morris To Be Deputy Administrator of the Agency for International Development

August 20, 1982

The President today announced his intention to nominate Jay F. Morris to be Deputy Administrator of the Agency for International Development, United States International Development Cooperation Agency. He would succeed Joseph C. Wheeler.

Mr. Morris is currently serving as Assistant Administrator for External Relations, Agency for International Development, Department of State. He was personnel specialist, Presidential Personnel Office, in 1981. He was director of administration in the office of the President-elect. He served as government relations consultant for the law firm of Vorys, Sater, Seymour & Pease in 1974–1980. He was Executive Director of the President's Commission on Personnel Interchange in 1976–1978. He was manager of Federal transportation programs for Motorola, Inc., in 1975–1976.

He graduated from the University of Maryland (B.S., 1963) and attended graduate school at Johns Hopkins School of Advanced International Studies. He is married, has one child, and resides in Adelphi, Md. He was born February 21, 1941.

Appointment of Kevin R. Hopkins as Director of the White House Office of Policy Information

August 20, 1982

The President today announced the appointment of Kevin R. Hopkins, Special Assistant to the President, as Director of the White House Office of Policy Information. He assumes this position immediately, replacing Edwin J. Gray. Mr. Hopkins will report directly to Edwin L. Harper, Assistant to the President for Policy Development.

Since March 1982, he has served as Deputy Director of the Office of Policy Information and Special Assistant to the President. Previously, Mr. Hopkins had, since the beginning of the administration, served as Special Assistant to the President for Policy Development. He worked as senior policy analyst in both the Reagan primary and general election Presidential transition team. Prior to that, he was a research analyst for Citizens for the Republic in Los Angeles and an instructor in economics at the University of Missouri.

He is a native of Kansas City, Mo. He graduated summa cum laude with a degree in economics and mathematics from William Jewell College in Liberty, Mo.

Remarks to Reporters Announcing the Deployment of United States Forces in Beirut, Lebanon

August 20, 1982

The President. Thank you all, and let me just say in advance, I'll be taking no questions, because Secretary Shultz, a little later today, will be having a full press conference. So, you can take everything up there with him.

Ambassador Habib has informed me that a plan to resolve the west Beirut crisis has been agreed upon by all the parties involved. As part of this plan the Government

of Lebanon has requested and I have approved the deployment of United States forces to Beirut as part of a multinational force.

The negotiations to develop this plan have been extremely complex and have been conducted in the most arduous circumstances. At times it was difficult to imagine how agreement could be reached, and yet it has been reached. The statesmanship and the courage of President Sarkis and his colleagues in the Lebanese Government deserve special recognition, as does the magnificent work of Ambassador Habib. Phil never lost hope, and in the end his spirit and determination carried the day, and we all owe him a debt of gratitude.

The parties who made this plan possible have a special responsibility for ensuring its successful completion, or implementation. I expect its terms to be carried out in good faith and in accordance with the agreed timetable. This will require meticulous adherence to the cease-fire. Violations by any party would imperil the plan and bring renewed bloodshed and tragedy to the people of Beirut, and under no circumstances must that be allowed to happen.

As you know, my agreement to include United States forces in a multinational force was essential for our success. In the days ahead, they and forces from France and Italy will be playing an important but carefully limited, noncombatant role. The parties to the plan have agreed to this role and have provided assurances on the safety of our forces.

Our purpose will be to assist the Lebanese Armed Forces in carrying out their responsibility for ensuring the departure of PLO leaders, officers, and combatants in Beirut from Lebanese territory under safe and orderly conditions. The presence of United States forces also will facilitate the restoration of the sovereignty and authority of the Lebanese Government over the Beirut area. In no case will our troops stay longer than 30 days.

The participation of France and Italy in this effort is further evidence of the sense of responsibility of these good friends of the United States. Successful resolution of the west Beirut crisis by responsible implementation of the plan now agreed will set the stage for the urgent international action required to restore Lebanon's full sovereignty, unity, and territorial integrity; obtain the rapid withdrawal of all foreign forces from that country; and help ensure the security of northern Israel.

We must also move quickly in the context of Camp David to resolve the Palestinian issue in all its aspects, as well as the other unresolved problems in the Arab-Israeli conflict. Only when all these steps are accomplished can true and lasting peace and security be achieved in the Middle East.

End of statement. Thank you.

Q. Mr. President, how can you be sure that American troops will stay safe?

The President. I said no questions because of the press conference that's coming up later, and that will be covered. And I assure you that every precaution is taken and that your questions will be answered fully by the Secretary with regard to that—and to their withdrawal, if there is any violation of any of the provisions that have been agreed upon.

Q. If they're shot at, will they be withdrawn, sir, immediately?

The President. What?

Q. If they're shot at, will they be withdrawn immediately?

The President. Yes. Yes.

Q. Did the congressional leaders not want to appear with you here today?

Deputy Press Secretary Speakes. We said no questions, please.

The President. No, they said the Senate had to run because they were due in at 9 o'clock in their session that began, so they broke up and decided to go back on the Hill. And I think they all want to go home. So do I.

Note: The President spoke at 9:50 a.m. in the Rose Garden at the White House.

Telegram to Ambassador Philip C. Habib on United States Negotiations for Peace in Lebanon
August 20, 1982

Dear Phil:

Yours is truly a sterling achievement. You have succeeded against staggering odds. It is America's blessing to have men of your caliber and patriotism in its service. Your skill, courage and determination have been an inspiration to us all. It was a performance which was in the best tradition of the tireless professionalism we expect of our Foreign Service. You have your country's gratitude for a great and difficult job well done.

Sincerely,

RONALD REAGAN

Note: Ambassador Habib is the President's emissary in consultations in the Middle East.

Statement on Signing a Bill Concerning the Space Shuttle Program
August 20, 1982

It is with great personal pleasure and pride that I sign into law House Joint Resolution 541 "Concerning the successful completion of the test flight phase of the Space Shuttle program."

I have witnessed many stirring events, but none more inspiring than the successful completion of the fourth and final test flight of the space shuttle in the California desert on July 4, 1982, as we celebrated the 206th anniversary of our nation's independence.

The space shuttle is an engineering and technological triumph. As the world's first reusable spaceship it represents the culmination of a decade-long effort, not only of thousands in government but tens of thousands in industry and the university community who worked so hard to make it a reality.

The shuttle program has given a lift to our national spirit. It has sparked a resurgence of pride among all Americans—pride in our ability to do great things when we set out to do them. But it has also been a productive and useful program that has built new technology, created new industries and new jobs, thus helping to strengthen our national economy.

This legislation refers to the future uses of the space shuttle orbiters in space exploration, Earth observations, scientific experimentation, and support of the Nation's security.

The resolution is a fitting tribute not only to the space shuttle and to the people who helped make it possible but to the pioneering spirit of progress that has always characterized our nation.

It is indeed a privilege for me to join in recognizing this new national resource which we expect to use not only for the benefit of all Americans but for the benefit of all mankind.

Note: As enacted, H.J. Res. 541 is Public Law 97-237, approved August 20.

Message to the Congress Reporting a Budget Rescission and Deferrals

August 23, 1982

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report a new proposal to rescind a total of $2.3 million, a new deferral of $2.7 million, and revisions to two deferrals previously reported increasing the amounts deferred by $4.8 million.

The rescission proposal affects the Board for International Broadcasting. The deferrals affect the Veterans' Administration, Interstate Commerce Commission and the President's Commission for the Study of Ethical Problems in Medicine and Biomedical and Behavioral Research.

The details of the rescission proposal and the deferrals are contained in the attached reports.

RONALD REAGAN

The White House,
August 23, 1982.

Note: The attachments detailing the proposed rescission and deferrals are printed in the Federal Register *of August 26, 1982.*

Nomination of Peter Dalton Constable To Be United States Ambassador to Zaire

August 23, 1982

The President today announced his intention to nominate Peter Dalton Constable to be Ambassador to the Republic of Zaire. He would succeed Robert B. Oakley.

Mr. Constable served in the United States Army in 1953–1955. In 1957 he was a research assistant to Senator Payne in the United States Senate. He entered the Foreign Service in 1957 as information specialist and then international relations officer in the Department. He was consular officer in Vigo, Spain (1959–1961), and political officer in Tegucigalpa (1961–1964). In the Department, he was personnel officer in the Bureau of Near Eastern and South Asian Affairs (1965–1967). He attended Hindu-Urdu language training at the Urban Affairs Program at the United States Chamber of Commerce. He was political officer in Lahore in 1968–1971. He was Deputy Director of the Office of Pakistan, Afghanistan, and Bangladesh Affairs in the Department in 1971–1972, and was Director in 1973–1976 after attending the National War College (1972–1973). He was Deputy Chief of Mission in Islamabad in 1976–1979, and since 1979 he has been Deputy Assistant Secretary of State for Near Eastern and South Asian Affairs in the Department.

Mr. Constable graduated from Hamilton College (A.B., 1953) and Johns Hopkins School of Advanced International Studies (M.A., 1957). His foreign languages are French, Spanish, and Urdu. He was born April 10, 1932, in Syracuse, N.Y.

Appointment of Four Members of the Board of Trustees of the Harry S. Truman Scholarship Foundation

August 23, 1982

The President today announced his intention to appoint the following individuals to be members of the Board of Trustees of the Harry S. Truman Scholarship Foundation.

Margaret Truman Daniel would serve for a term expiring December 10, 1987. She is currently serving on the Board of Trustees of the Harry S. Truman Scholarship Foundation. She is married, has four children, and resides in New York, N.Y. She was born February 17, 1924.

Richard J. Fitzgerald would serve for a term expiring December 10, 1985. He would succeed Elliott D. Marshall. He is presiding judge of the Criminal Division of the Circuit Court of Cook County. He is married, has two children, and resides in South Holland, Ill. He was born January 23, 1914.

Gloria Ann Hay would serve for a term expiring December 10, 1987. She would succeed John Portner Humes. She is State coordinator of the Family Community Leadership Program at the University of Alaska, Cooperative Extension Services. She has three children and resides in Anchorage, Alaska. She was born September 23, 1928.

Truman McGill Hobbs would serve for a term expiring December 10, 1985. He would succeed Walter E. Craig. He is serving as United States District Court Judge for the Middle District of Alabama. He is married, has four children, and resides in Montgomery, Ala. He was born February 8, 1921.

Statement by Deputy Press Secretary Speakes on the Presidential Election in Lebanon

August 23, 1982

The President has noted this morning the election of a new President in Lebanon, and he has sent a message of congratulations to the new President. We also congratulate the Lebanese Parliament in electing the new President through the traditional, constitutional processes during this difficult and trying time.

Lebanon's new leadership has a difficult task ahead. That task is to bring the country back together again. The promotion of genuine national reconciliation and reconstruction are crucial to the success of the new President.

The United States will continue to work closely with the Government of Lebanon on the complex and difficult task ahead. We believe that the election holds out the possibility to continue the process of strengthening the central government of Lebanon, and we are pleased that the process has moved forward.

Note: Deputy Press Secretary Larry M. Speakes made the statement during his regular briefing for reporters, which began at 10:08 a.m. at the Santa Barbara Sheraton Hotel in Santa Barbara, Calif.

Bashir Gemayel was elected by the Parliament as President of Lebanon on August 23.

Remarks at a Fundraising Dinner in Los Angeles, California, for United States Senate Candidate Pete Wilson

August 23, 1982

Mayor Pete Wilson, the long-time friends and the newcomers to that circle here tonight, and all of you ladies and gentlemen:

I am very proud and very delighted to be here on this particular occasion. We were just talking over here. I was saying, for the one real westerner up here at the head table, he sure is duded up. [*Laughter*]

You know, I was very worried—and we were just talking about it—we were worried, "Did they really mean that? Casual western?" So you can imagine my relief when I met Pete out there at the airport and saw, yep, they did, because I had a picture of myself standing up here this way in front of a bunch of people dressed like the lawyer from the East. [*Laughter*] But I can only tell you, after a year and a half in Washington, somebody says casual western to me, that's what they're going to get. [*Laughter*]

I'm sure that you know how important this election is or you wouldn't be here tonight. The Senate has been called the most exclusive club in the world. The hundred men and women there represent the 50 States. And you know, sometimes we forget or sometimes we're young enough that we just didn't know or weren't aware that that's exactly what the Senators do represent—that not too many years ago it was changed to popular election—and that Sentors were actually chosen by State governments. They are there to represent the interests in this federation of sovereign States of their particular sovereign State as well as the national interests of the federation.

In about 10 weeks, Californians are going to choose which of two men is best able to represent the State. One of them has held the highest elective office in this State, that of Governor. He took office 8 years ago, in the middle of the fiscal year, with a $500 million surplus in the State cash box. Previous to that, the State of California had returned the last surplus before that $500 million—we couldn't return it because the administration had to leave in the middle of the fiscal year—but the one previous to that we turned back $850 million in the form of a rebate. And I have often thought nothing ever delineated so clearly the difference between the two parties as the statement of a Senator in the opposing party who stormed into my office one day when we were giving back that $850 million and said he considered that giving that money back was a misuse of public funds. [*Laughter*] Well, the new Governor did not give back the $500 million. And now he seeks to move on to greener fields, leaving the State a few million dollars in the hole, which is against the constitution of the State of California. And it's a little frightening when you stop to think that if he were in Washington, he wouldn't be dealing in millions, he'd be dealing in billions.

Now, as an alternative, we can choose a man who was a part of the California State Legislature when California was climbing out of that fiscal swamp, turning back to the people surpluses every time we got one as rebates to the people. He then became mayor of one of our great cities. And that city is recognized nationwide as one of the best run communities in the United States.

Will we make our choice based on campaign slogans or spot ads? Or will we, the people of California, do as Al Smith admonished once and look at the record? Is there any relationship between what the Governor says he will do and what the Governor has done?

I understand, though, that a Senator from Massachusetts is going to come out here and campaign in his behalf. That same Senator from Massachusetts came out and campaigned for a relative of the present Governor 16 years ago when I was running. And he made a great point up and down the State that the people should watch out, because I had never held public office before. Well, you know, he had never held public office before he became a Senator. As a matter of fact, he'd never held a job. [*Laughter*]

But let me try and tell you how important it is that we hold this slim lead that we have, that slim majority in the United States Senate. It's the first time that we have had a majority in one of the Houses of Congress in decades. And without that, we couldn't achieve what has been achieved in the last year and a half.

And what has been achieved? Well, I think one of the most historic changes in government—a 180-degree turn from the historic pattern over the last decades of tax and tax and spend and spend, and don't worry about the public debt, we owe it to ourselves.

When we took office, it was at the end of 2 years of double-digit inflation—12.4 percent was the rate when we arrived; the interest rate, 21½ percent, prime rate. The rate of increase in government spending had touched 18 percent, and 2 million workers, in that last campaign year of 1980, had lost their jobs.

We were not quite to the middle of the fiscal year when we took office so the '81 budget was in place, and there wasn't much we could do about that. But we had to proceed immediately with the fiscal budget for '82, which would go into effect on October of 1981. That budget—as you know, under the pattern in Washington budgets are proposed for a few years in advance.

The unemployment kept on increasing, the recession of 1980 became the recession of 1981. Yes, the unemployment has increased. But I remember campaigning in which I stood in communities and areas in which the unemployment rate at that time had reached as high as 20 percent, and I called it a depression. And I was immediately corrected by the incumbent, who said it was a recession. I don't know whether you'll recall, but I told him that a recession was when your neighbor lost his job; a depression was when you'd lost yours—[*laughter*]—and relief would be when he lost his. [*Laughter*]

But we proposed an economic recovery program almost the instant that we were there, and it was a long and hard struggle, if you'll remember. And then just about this time of year a year ago, we passed and I signed here in California our economic recovery program which reduced proposed government spending over the next 3 years by $130 billion and contained also the greatest tax cut—single tax cut in the history of the United States.

Now, the program didn't go into effect until October of last year, but by September the critics were already calling it a failure. It hadn't started yet, so to make it easier to identify they renamed it "Reaganomics." Now, I don't think they were trying to honor me—[*laughter*]—with that, but if they were, I just want them to know that I had already received a distinguished honor that they could in no way equal. In the tiny village of Ballyporeen in County Tipperary in Ireland, where my great-grandfather left from to come to America, they have named a pub after me. You see, if you're for free enterprise, the word gets around. [*Laughter*]

But our program started last October. It continues to be phased in over a 3-year period. The second part of that, the second phase was the tax cut that you all received on the first of July. Some failure—21½-percent interest rate is now 13½. The 12.4-percent inflation rate has been running at less than 6 percent for the last 6 months. And after a decade of decline, after a time when incomes went up some 120-odd percent but the actual real earnings of the American people kept going down and the standard of living kept going down, personal income for July—that single month, up 1 percent. And if you wanted to annualize that instead of keep on doing that every month, that's a 12-percent increase. Disposable personal income after payment of income tax went up 2.1 percent in July.

The savings rate—and in this country of ours, for the last several years personal savings, the very essential to having a capital pool for investment that industry can borrow from—that savings has been less than that of our counterparts in the other industrial nations in the world. But in June, before the tax cut, it had gone up to 7.3 percent. It had been 6.9 percent in May. It has been steadily down for the months and a long time before, as I've said. I am interested to see what it will be. You don't get the figures as early on that one, so we'll wait a few weeks before we know what it is

for July.

Housing starts were up 34 percent in July. The permits for new housing were up 174,000 over June. Ninety-day Treasury notes upon which we were paying 15½-percent interest—the government was paying just a couple of weeks ago—are now down to less than 8 percent.

Fraud and waste—and we have a task force that's been in that and reporting to me every 6 months, and the last report on their 6 months they had saved $5.8 billion for us—thousand of audits, thousands of indictments, and hundreds and hundreds of convictions. And last year's tax cut, which as I say was to be phased in over a 3-year period, is still the largest tax cut in history in spite of what happened last week, because over the 3 years, the coming 3 years, even with the bill that has just been passed, the American people will get a tax cut in these 3 years of $335 billion. And accompanying that will be spending outlay reductions of $280 billion.

There's one other thing that I want to mention: federalism. There is a program that we have been working with Governors—well, some Governors. [*Laughter*] We've been working with mayors, we've been working with city council members, county officials, State legislatures, to work out a return to the tenth amendment; to give back to the States and the cities and the counties of this country the programs, the powers, the authority that were unjustly seized by the Federal Government in denial of the tenth amendment of the Constitution; to put government, as much as possible, those functions that are proper, back in those levels of government that are closest to the people.

Now, who would you like to have in California helping administer that switch back to that kind of federalism? Someone whose first great battle of history-making proportions was against the medfly? [*Laughter*] Or someone who has served in the State legislature for years, someone who has now served as the mayor of one of our major cities for years, who knows the local problems and knows what the Federal Government should do if we're to have the kind of honest government, efficient government that we should have for all of us throughout the Nation?

If ever there was a watchword that was appropriate, it is in this election. And that is, with Pete Wilson's opponent, with regard to him, that we should say, "Pay attention to what he does, not what he says."

Let me just give you a little example. It wasn't too long ago that he stepped up to the 155-millimeter microphones and fired a salvo at Jim Watt. And it was all about—he singlehandedly, the Governor of California, was going to protect the coastline of California from the threat of oil. Well, there are 520 Federal or United States supervised oil wells off the coast of California, outside the 3-mile limit. There are 3,000 State supervised and regulated oil wells inside the 3-mile limit off the State of California. And this summer alone, the present Governor of California has approved drilling permits for 20 more wells on the very edge of the Santa Barbara sanctuary.

What is the sanctuary? Well, when we were in Sacramento, as Pete knows, we'd laid out some of the great scenic areas of California and drew lines out to the 3-mile limit and said, "No matter what, there will be no drilling inside these beautiful scenic areas." And a Republican administration in Washington continued the line on out beyond the 3-mile limit and said, "We will observe your sanctuaries." But there are going to be 20 more. They may not be in the sanctuary, but you can throw a rock from any one of them into the sanctuary from where they're going to be drilled. So, as I say, he talked a great war; he hasn't exactly been fighting that war.

This—I can't tell you—and, you know, I'm a little—[*inaudible*]—here. This is the first time I've ever been a before-dinner speaker. [*Laughter*] But nothing of what we've achieved, nothing of what we have accomplished could have been done if we did not, for one of these rare moments in history, have that majority in the United States Senate. I'd like to have a majority in the other House, but in off-year elections history says that you don't usually gain in that off-year election. Anyway, we're going to try very hard to gain.

But I can tell you this. The Senator who's

coming out to campaign for Pete's opponent is a member of a very exclusive little group of a half a dozen Senators who have set an all-time record in the history of the Senate for spending; in fact, more spending than any other Senators that have ever been there. We know some of the things advocated by Pete's opponent and what he would stand for.

I haven't touched on another area, but one of which I'm very proud. When we took office, the supposed voluntary military was a failure. People were talking that we could not exist or have a good defense without the draft. Now, even though we have a registration—and I am convinced that that is worth keeping—I am opposed to a peacetime draft and I'm even more so now, because we don't need it.

We found that half our airplanes couldn't fly on any given day for lack of spare parts. We found that on any given day there were Navy vessels that couldn't leave port either because they didn't have enough crew or they didn't have enough parts. And we set out to do something about that. Now, we've been accused of spending too much on military and cutting social reform programs too much, and I know which side Pete's opponent would come down on on that, and I know where Pete would come down from his experience as a legislator.

I think it should be recognized that when John F. Kennedy was President, only 27 percent of his budget went for the social reforms to help the needy and the helpless in this country, and 46 percent went for defense. In our budget for 1983, about 53 percent of our budget is going for the needy and the helpless, and only 29 percent is going for defense. And yet, the morale, the esprit de corps, the reenlistments of men in the service—men and women in the service today, the level, the educational level of the people going into the service making it a career, is something we haven't seen in a great many years. And I just have to tell you one of my favorite little stories about that.

Our Ambassador to Luxembourg wrote me a letter, and he said that he had been up on the East German border, visiting the Second Armored Cavalry Regiment. And he told me how great they looked. And then he said that one of these fellows, a 19-year-old trooper, followed him over to his helicopter and asked him if he could get a message to me. And being an Ambassador, he allowed as how he could. And the kid said, "Well, will you tell the President that we're proud to be here, and we ain't scared o' nothin'."

I just thought you'd like to know about the attitude of those who are guarding our shores, because they are the real freedom fighters. It is by doing their job and doing it right that they can be a deterrent to war. And our goal is peace. And you've never gone into a war because you were too strong; you go into them when the other fellow thinks you aren't strong. And we're going to continue.

So, you have, really, a clear-cut choice here. The more strength we have in the Senate, the more we can gain allies over there in the House. You send Pete Wilson. San Diego will find a way to get along without him. You send Pete Wilson to Washington. And just—if you can't send him, don't send anybody. [*Laughter*]

And, as I say, I know I'm preaching to the choir, because you wouldn't be here if you didn't—[*laughter*]—feel that way. But God bless you all. And we're going to keep it up in Washington. And we're going to keep the country turned around on this new course until we have reduced the percentage of gross national product that is being taken by the Government and being spent by the Government until once again Government is back spending within its means. And then my dream is that day we make the first payment, I don't care what size it is, on the national debt to prove to our kids that we're not going to dump it all on them.

Let me just say, deep, if you will, in your hearts—I said, I think, the last time I was out here and, maybe, to many of you, I don't know all the national anthems in the world, but I do know this. I don't know of any other that ends with a question. "Does that star spangled banner yet wave o'er the land of the free and the home of the brave?" And all we have to determine is,

you bet we've got the answer to that question.

Thank you very much.

Note: The President spoke at 7:41 p.m. at Sound Stage 6 of the 20th Century Fox Studios. Following the dinner, the President went to the Beverly Wilshire Hotel in Beverly Hills, where he remained overnight.

Message to the Congress Transmitting the Annual Report on United States Aeronautics and Space Activities
August 24, 1982

To the Congress of the United States:

I am pleased to transmit this report of the nation's progress in space and aeronautics during 1981. The report is provided in accordance with Section 206 of the National Aeronautics and Space Act of 1958, as amended (42 U.S.C. 2476).

In 1981, U.S. commercial and government-owned spacecraft brought important rewards from space. Particularly notable were *Voyager 2,* which sent closeup photographs of the Saturn planetary system, and new Explorer satellites that studied the sun's interactions with Earth's environment. Communications and weather satellites, both civil and military, furnished improved, ever-expanding daily service.

The reusable Space Shuttle *Columbia* made its maiden spaceflight in 1981, opening a new era that will enable the nation to take full advantage of the ultimate frontier of space. With the fourth and final orbital test flight now completed, the next flights of *Columbia* and its sister ships will provide routine operational access to space for scientific exploration, commercial use for economic benefits, national security tasks, and the welfare of mankind.

We can all take pride in these and other accomplishments reported for 1981.

RONALD REAGAN

The White House,
August 24, 1982.

Note: The report is entitled "Aeronautics and Space Report of the President—1981 Activities" (Government Printing Office, 87 pages).

Message to the Congress Transmitting the Annual Report on East-West Trade
August 24, 1982

To the Congress of the United States:

Pursuant to section 411(c) of the Trade Act of 1974, I hereby transmit the East-West Trade Report for 1981, covering trade relations between the United States and the nonmarket economy countries.

I have reviewed the sanctions on the export of oil and gas equipment to the Soviet Union imposed on December 30, 1981 and decided on June 18, 1982 to extend those sanctions through adoption of new regulations to include equipment produced by subsidiaries of U.S. companies abroad as well as equipment produced abroad under licenses issued by U.S. companies.

The objective of the United States in imposing the sanctions has been and continues

to be to advance reconciliation in Poland. Since December 30, 1981, little has changed concerning the situation in Poland; there has been no movement that would enable us to undertake positive reciprocal measures.

The decision taken to extend the sanctions will, I believe, advance our objectives of reconciliation in Poland.

RONALD REAGAN

The White House,
August 24, 1982.

Statement on Signing a Bill Authorizing Fiscal Years 1982 and 1983 Appropriations for Certain Federal Agencies

August 24, 1982

I have approved today S. 1193, a bill which authorizes fiscal year 1982 and 1983 appropriations for the Department of State, United States Information Agency, formerly the International Communication Agency, the Board for International Broadcasting, and the Inter-American Foundation.

This bill strengthens the management and organization of the Board for International Broadcasting and the United States Information Agency. I am also pleased to see that the Congress has supported our request to send a strong signal to organizations such as UNESCO that our government will not accept efforts, whether by international organizations or otherwise, to restrict and weaken democracy in this world by restraining freedom of expression and free speech.

S. 1193 also enacts into law the Foreign Missions Act, which provides authority to regulate the activities of foreign missions in our country in order to promote reciprocity in our diplomatic relationships and to protect our national security.

I am particularly concerned, however, about the provision that would require obligations for exchanges of persons programs of the United States Information Agency to be doubled in terms of constant dollars between 1982 and 1986, regardless of the amount of total appropriations available to the Agency in those years. While I share the Congress' view that exchanges contribute importantly to our national security, I believe such earmarking of future funds, especially in a period of budgetary restraint, is inappropriate. This requirement could have the detrimental effect of significantly reducing other activities of the Agency such as the Voice of America, publications, and information centers, thereby weakening the Agency's other important activities that further our national security. I must note, therefore, that given the overall availability of resources, the administration will most likely have to seek adjustments to this unduly restrictive provision.

Finally, I must address those provisions of S. 1193 concerning the opening and reopening of United States consulates abroad. Following a lengthy review, the Department of State closed the seven consulates in question because the services they provided were disproportionately small in relation to the costs of maintaining them. The enrolled bill, however, would require the State Department to operate and maintain these consulates and preclude the opening of any new U.S. consulates until the seven are reopened.

Under the Constitution, the President has the power to appoint consuls as well as ambassadors and other public ministers. Implicit in this authority is the right to decide when and where an ambassador or consul should be appointed. Accordingly, I believe that Congress cannot mandate the establishment of consular relations at a time and place unacceptable to the President. In recognition of this constitutional prerogative of the President, I shall therefore regard section 103 as a recommendation and not a requirement.

Note: As enacted, S. 1193 is Public Law 97-241, approved August 24.

Remarks and a Question-and-Answer Session at a Reception in Los Angeles, California, for Gubernatorial Candidate George Deukmejian

August 24, 1982

The President. Well, I'm delighted to be here. And I was waiting kind of anxiously to hear—I know that I'm here for all of you who've done the work of making that September 9th event successful—and I was beginning to wonder who he was going to get for the September 9th event. [*Laughter*] And he got the right person.

You know, if I could, let me just say a few words. You can't have held that job in Sacramento for this great State, so unique in all of the country and all of the world, without having a lifetime feeling of proprietorship for it. And I've looked in the years since and seen some of the things that have happened in Sacramento. The rhetoric was never matched by deeds on the part of the one who had taken that office—and couldn't help but have a great feeling of concern. And now with this election, my heart is filled with the greatest hope, because I know this man—served when he was in the legislature and then when he was attorney general.

He knows the problems of the State. He has proven his capacity for dealing with them. And now from the vantage point that I look from, it is doubly important with regard to California, because I went to Washington with a dream, and the dream—and we're going to make it come true—was one of restoring the 10th article of the Constitution, of the Bill of Rights, that article that says that the Federal Government shall do only those things specifically called for in the Constitution and that all others shall remain with the States or with the people.

And we have drifted a long way in the last few decades from that concept of a federation of sovereign States. That was our great strength and the basis of our freedom. And my dream is that through a program we've called federalism, we are going to make that happen, and we're going to return to the States and to the local communities and to the counties those powers that rightly belong there, along with the revenue sources to fund them. We're not just going to dump them on the local taxpayers. The Federal Government, in usurping the powers and authorities of those other levels of government, has distorted the very structure of this nation and has also usurped the tax sources that properly belonged at the State and local level.

Now, if we're going to do that—and I think it must be in your mind—it must be awfully important who is here at this end then to organize, to manage those programs that for so long have simply been functions now and then delegated in part by the Federal Government.

There has been a philosophy abroad in the land that the States should be reduced to administrative districts of the Federal Government. Well, don't you let that happen. This country will remain strong so long as it is a federation of sovereign States. It's unique in all the world in that respect. And this is the man that I believe has the capacity to handle those enlarged responsibilities. And therefore he's the man that should be in Sacramento as Governor of this State. And when he has to cross the State line—the constitution still says that you're no longer Governor until you come back—and then Carol Halett will be there with him, and she'll be able to hold the fort while he's across the State line.

But let me just give you an example if I can—and then I'm going to do something else here—an example of what this man has in his background and what he has done for the State of California. For about 7 of the 8 years I had a hostile legislature. The opposing party had a majority in both houses. Now, maybe many of you haven't thought about this, but in the structure of government the party that has the greatest number of members of the assembly and of the senate in each case has the majority of each committee and names the chairmen of those committees. Well, one year, due to

some special elections, we wound up with a bare majority in both houses. And that year, now that we had the majority in the committees and the chairmen of the committees, out of one committee that was literally a burial ground for good legislation came 41 anticrime pieces of legislation. Almost all of them, if not all, were authored by this man.

They had been buried in that committee as long as the other fellows were in charge, and they came out of that committee to the floor, and then once out on the floor even the other side that had bottled them up in committee—where they could be kind of anonymous in doing it—didn't have the nerve to vote against them. And in that 1 year we passed 41 pieces of anticrime legislation.

And the polls that not too long ago said that inflation was the number-one problem—they don't say that anymore, because inflation for the last 7 months has been running at 5.4 percent, not 12.4 percent. I just wanted to get in that lick because—[*laughter*]—because I also wanted to emphasize that now, near the top if not the top of many polls, the problem on people's minds is crime. And I think the moment has come when a man with the experience, George Deukmejian, should be the Governor of the State of California.

George and Gloria, could I do something, though? I don't have very much chance to visit with the home folks. And I just wondered if, rather than me going on here—although, I could go on quite extensively about George Deukmejian—all the way back to what he mentioned, back to 1966 and that campaign. And I remember sitting with him and getting sound and solid advice—was it down in Long Beach——

Mr. Deukmejian. That's right.

The President. ——we first met—and I continued to get sound advice and help from him in all the days that followed.

But maybe some of you have said to yourself, if he ever came back out here, and I had a chance, I would like to say to him, or I would like to ask him—and couldn't we for just a few minutes at least have—I know we haven't got much time. But could we have a little dialog? And, if there's someone that has thought that, sing out. And we'll try to have some dialog here.

Q. I'll do it. [*Laughter*]

The President. Good.

Q. Mr. President, I came from here as a refugee from—[*inaudible*]—and tonight my mother is the proudest woman in the world. And only in America could I shake your hand.

The President. Thank you very much. Thank you.

Q. [*Inaudible*] That you're, also, very handsome. [*Laughter*]

The President. Well—[*laughter*]—you don't need a question. Fine; thank you. [*Laughter*] Thank you very much.

You know, every once in a while, these people who have come here from someplace else—we need to talk to them to get reinspired as we see through their eyes what it is we really have, and what we, too often, take for granted here.

Yes?

Women in the Administration

Q. I heard Elizabeth Dole [1] speak the other day and was extremely impressed with her as a representative of yours. Do you plan to appoint a lot more women like that?

The President. Yes, the question, if you didn't hear it, was that she heard Elizabeth Dole, Bob Dole's wife, who is on our staff in the White House, speak, and she was greatly impressed. And I can understand why you were. And am I planning to appoint many other women like that?

It might interest you to know that at this point, only a year and a half into office, we've appointed more women in top positions in government than anyone at that stage of their tenure has ever done. And we're going to continue doing that. And she is doing a magnificent job there.

We've got a Supreme Court Justice that's doing pretty well, too.

Q. Mr. President?

The President. Yes. Oh—Margaret, and then a gentlemen—were you——

Q. I just want to thank you so much for being here—[*inaudible*]—because as great as you are on the nationwide television, you

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[1] *Assistant to the President for Public Liaison.*

are just as great—[*inaudible*]. Thank you very much.

The President. Well, Margaret, thank you very much. Thank you.

Relations With South and Central America

Q. Mr. President, the Falklands crisis caused some bad feeling toward the United States, of course, the way it turned out. And, later, the Argentine people, I think, found out that they were slightly misled by their own government. But what can we do now to, sort of, make our neighbors to the south a little bit happier with us and all, as you did start out before you were even into the White House, with Mexico?

The President. Well, this was something that was very much on my mind, and I have long thought that our country, well-intentioned many times, but never quite succeeded in approaching our neighbors to the south and bringing these two continents together. And I have—that, too, has been a dream, that when you look at these two continents, more than 600 million people, the richest two continents in natural resources and thousands and thousands of square miles that have never even been developed yet, all of us came here with the same dream—came from someplace else, our ancestors or ourselves, in search of freedom. And what I've dreamed of is an accord between the Americas, where we could be friends. And we started out.

And I think that we established with our nearest neighbor, Mexico—and I met with the President of Mexico prior to taking office, after I'd been elected—I think we have a better relationship and a better bond than we've had. And we're continuing with that.

You're right. There was a setback over this thing that took place in the Falklands. But we're going right back to what we were doing.

We have a piece of legislation—having a little trouble getting through in Washington—called the Caribbean Initiative. Now, this is aimed at some of the countries in Central America and then those island nations out in the Caribbean. And it is a program to help them develop their own economies, to help them become self-sufficient and so forth. And I know that our neighbors to the south are looking at that as a sign of our intentions and to see whether we can bring it off. So, our first goal is going to be to resolve that.

But I do intend and we intend to pursue this program of bringing the Americas together. Can you imagine what that would look like throughout the world: North and South America allied together in the cause of freedom and individual liberty and free enterprise? And that's what we're aiming at. And I think there are some signs that the temporary bitterness has receded.

Yes, Jim.

Enterprise Zones

Q. Mr. President, where is the enterprise zone bill? Has it been marked up, or where is it now? The enterprise zone bill, where is it now, as far as—[*inaudible*]—is concerned?

The President. The enterprise zone—again, this is another thing that's in committee and that we're trying to get out—the enterprise zone is a plan not only for the major cities but for rural areas as well. We want to start it on an experimental basis of about 75 to begin with, and that is using tax incentives from the Federal to the local level as a lure to—in the run-down areas, the centers of poverty and so forth, we can persuade businesses and industries to start up because of tax breaks that will be given; hire the people in those areas who will also receive tax breaks—because they're presently not paying taxes; the bulk of them are on the various help programs of government—and develop those inner cities to provide jobs in those pockets of great unemployment.

And this plan would not be one that would have a great cost, because, first of all, the local community isn't getting property taxes from those run-down areas. They've taken over most of the land in those areas now in default of taxes. The businesses that would come in would be entitled to a break in that regard while they established a business, and the people who would then become employed are presently not paying taxes—they are a cost to the government. And so all of these could be the incentives that would bring private enterprise in to

refurbish these particular areas in our country.

Yes?

Views on the Presidency

Q. Mr. President, now that you've achieved the high honor, what do you deem to be the most difficult and surprising portion of your job?

The President. What is the most difficult——

Q. ——or surprising portion of the job, now that you have it?

The President. Most difficult and surprising portion of the job? [*Laughter*] You know, it's kind of hard to answer, because I have to tell you, I'm enjoying myself.

It's—oh, the—you know, you go to work in an elevator and you go home in an elevator, and sometimes you get a little claustrophobia. The quarters are beautiful, and it's very fine living and all that. But every once in a while you do look out the window and you see people walking by, and you say, "You know something that they can do and I can't—I can't just walk down to the corner drugstore and pick out a birthday card or a magazine or something." And so, then you go to Camp David and get it out of your system. [*Laughter*]

No, I really—I think that we've been fairly successful, and I know I've got to wind this up now, because I'm keeping everybody here much too long.

Sometimes, I suppose one of the things—yes, I can think of something. Sacramento is a capital, too, but even that didn't prepare me for the greatest custom in Washington, which is the leak. [*Laughter*] I've gotten, sometimes in the Cabinet Room, that I've addressed particular remarks to the chandelier. I'm sure that must be where they're listening. [*Laughter*] And the worst thing about some of the leaks, though, is that they're not based on factual information, just on a little information. And so often the frustrating thing is you can't respond and correct them, because they deal, for example, with, let's say, international relations. And to refute the error that has been widespread then through the news, you would have to reveal things that you cannot diplomatically reveal.

Yes?

Federal Spending

Q. Mr. President, do you think you could hold the budget-busting bill down so that the people of this country could feel confident that the Federal Government is actually under control now?

The President. You all heard that question, I think. I don't have to repeat it.

The Federal budget is out of control because of a number of programs and, again, passed with the best of intention, the programs to help people who require government help. But they were passed, and fixed in them was the trigger that automatically increased them in cost. And this is what's uncontrollable. And so, you come into office, and the budgets have been proposed for a few years ahead, just as we have to when we submit this last budget bill—suggest where they're going. But automatically those programs increase.

So, we passed last year in our big economic recovery program—we passed enough cuts to reduce spending by $130 billion over 3 years. The present program that we passed last week with the tax so-called increase but I call "tax reform" in it—that over a 3-year period will reduce the spending by $280 billion over the next 3 years. And yet all of that is in the increase of spending. That isn't as if you could go in and say, "Here, we're going to spend less than we spent before." Now we—and by "we," I mean myself and the legislature—must deal with this problem of what are called the entitlement programs, to find and get a control on those programs to lessen that automatic increase in spending.

Now, with this last program that we passed—and you know there was great controversy about it and some of us who were alined spiritually found ourselves on different sides. The plain truth was that when we set out to get the second year's installment of budget cuts, we found this time we could not do it unless we agreed to some revenue measures.

Now, we passed the greatest tax cut in history last year to be phased in over a period of more than 3 years. You got the first installment 10 months ago, the second installment a month ago, the 1st of July—third installment will come next July. And then there will be the indexing that follows that where we will index the tax brackets so that you won't get pushed into higher brackets just by way of inflation. And it is still, in spite of what we did, the biggest single tax cut in history, because in spite of the tax bill that was passed last week, with the additional cuts, the tax cuts over the next 3 years for all of you will amount to $335 billion, in spite of the $99 billion that was in this tax bill.

But in talking to Congressmen about that—and I have put it in writing—when they or if—and there will be attempts to bust the budget, to send down budget-busting bills—and I sit with pen in hand waiting to veto and have pledged in writing I will veto budget-busting bills. And George knows I've had a little experience. As Governor in those 8 years, I vetoed 943 bills in the 8 years, and none of those 943 were overridden in the legislature. So, I've only had a chance to do this a couple of times in Washington.

But, yes, we must curb that runaway spending. And we're going to do that.

That has to be the last one out there, because——

Immigration Legislation

Q. Mr. President, I was wondering if you would care to comment on the—[*inaudible*]—bill on immigration, considering southern California—[*inaudible*]——

The President. The immigration bill that is—and well, how do I say this—because this bill was passed. I don't know exactly what I should say, except that it was passed with the intention that we had lost control of our borders, all of them, and that we had to restore the ability to determine immigration to our country here.

We realized, also, that there were many people here who had come a long time ago, and who literally think of themselves as belonging in this country. And that's why the provisions are in there to grant them the right to stay—permanent residency on the basis of the length of time that they've been here.

Whether we have plugged all the holes or not, I don't know. Whether we have met some of the needs of our neighbors, I don't know. But I know it's a problem that we had to move on to find a solution. And that was evidenced in the last great invasion of people that were not just political refugees but people that just wanted to live in the United States. And we do have an immigration system and quotas and so forth. And this is trying to regain control of our own borders.

But now to get back to the business at hand—and then I must leave here—once again, and I mean this seriously, I've known this man, worked with him as a legislator and all those things—and the welfare reform and everything that we did in California—know him and you know him and his record as an attorney general. And I don't mean this in any disparaging way about his opponent, but the government of the city of Los Angeles does not allow the mayor to be an executive in the sense that a Governor of the State is. We have a city council form of government. And I say the man with the experience, the knowledge, the integrity to do the job is the man that's here on the platform with us tonight, George Deukmejian. Elect him Governor.

Note: The President spoke at 7:10 p.m. in the Beverly Hills Room at the Beverly Wilshire Hotel.

Letter to the Speaker of the House and the President Pro Tempore of the Senate on the Deployment of United States Forces in Beirut, Lebanon

August 24, 1982

Dear Mr. Speaker: (Dear Mr. President:)

On August 18, 1982, the Government of Lebanon established a plan for the departure from Lebanon of the Palestine Liberation Organization leadership, offices, and combatants in Beirut. This plan has been accepted by the Government of Israel. The Palestine Liberation Organization has informed the Government of Lebanon that it also has accepted the plan. A key element of this plan is the need for a multinational force, including a United States component, to assist the Government of Lebanon in carrying out its responsibilities concerning the withdrawal of these personnel under safe and orderly conditions. This will facilitate the restoration of Lebanese Government sovereignty and authority over the Beirut area.

In response to the formal request of the Government of Lebanon, and in view of the requirement for such a force in order to secure the acceptance by concerned parties of the departure plan, I have authorized the Armed Forces of the United States to participate on a limited and temporary basis. In accordance with my desire that the Congress be fully informed on this matter, and consistent with the War Powers Resolution, I am hereby providing a report on the deployment and mission of these members of the United States Armed Forces.

On August 21, in accordance with the departure plan, approximately 350 French military personnel—the advance elements of the multinational force—were deployed in Beirut together with elements of the Lebanese Armed Forces, and the departure of Palestinian personnel began. To date, Palestinian personnel have departed Lebanon in accordance with the terms of the plan.

On August 25, approximately 800 U.S. Marines began to arrive in Beirut. These troops are equipped with weapons consistent with their non-combat mission, including usual infantry weapons.

Under our agreement with the Government of Lebanon, these U.S. military personnel will assist the Government of Lebanon in carrying out its responsibilities concerning the withdrawal of Palestinian personnel under safe and orderly conditions. The presence of our forces will in this way facilitate the restoration of Lebanese Government sovereignty and authority in the Beirut area. Our forces will operate in close coordination with the Lebanese Armed Forces, which will have 2500–3500 personnel assigned to this operation, as well as with a total of approximately 800 French and 400 Italian military personnel in the multinational force. Transportation of the personnel departing is being carried out by commercial air and sea transport, and by land. According to our agreement with the Government of Lebanon, the United States military personnel will be withdrawn from Lebanon within thirty days.

I want to emphasize that there is no intention or expectation that U.S. Armed Forces will become involved in hostilities. They are in Lebanon at the formal request of the Government of Lebanon. Our agreement with the Government of Lebanon expressly rules out any combat responsibilities for the U.S. forces. All armed elements in the area have given assurances that they will take no action to interfere with the implementation of the departure plan or the activities of the multinational force. (The departure has been underway for some days now, and thus far these assurances have been fulfilled.) Finally, the departure plan makes it clear that in the event of a breakdown in its implementation, the multinational force will be withdrawn. Although we cannot rule out isolated acts of violence, all appropriate precautions have thus been taken to assure the safety of U.S. military personnel during their brief assignment to Lebanon.

This deployment of the United States Armed Forces to Lebanon is being undertaken pursuant to the President's constitutional authority with respect to the conduct of foreign relations and as Commander-in-Chief of the United States Armed Forces.

This step will not, by itself, resolve the situation in Lebanon, let alone the problems which have plagued the region for more than thirty years. But I believe that it will improve the prospects for realizing our objectives in Lebanon:

—a permanent cessation of hostilities;

—establishment of a strong, representative central government;

—withdrawal of all foreign forces;

—restoration of control by the Lebanese Government throughout the country; and

—establishment of conditions under which Lebanon no longer can be used as a launching point for attacks against Israel.

I also believe that progress on the Lebanon problem will contribute to an atmosphere in the region necessary for progress towards the establishment of a comprehensive peace in the region under Camp David, based firmly on U.N. Security Council Resolutions 242 and 338.

Sincerely,

RONALD REAGAN

Note: This is the text of identical letters addressed to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and Senator Strom Thurmond, President pro tempore of the Senate.

The text of the letter was released by the Office of the Press Secretary on August 25.

Message to the United States Marine Forces Participating in the Multinational Force in Beirut, Lebanon

August 25, 1982

You are about to embark on a mission of great importance to our Nation and the free world. The conditions under which you carry out your vital assignment are, I know, demanding and potentially dangerous. You are tasked to be once again what Marines have been for more than 200 years—peacemakers.

Your role in the multi-national force—along with that of your French and Italian counterparts—is crucial to achieving the peace that is so desperately needed in this long-tortured city.

I expect that you will perform with the traditional esprit and discipline for which the Marine Corps is renowned. Godspeed.

RONALD REAGAN

Nomination of K. William O'Connor To Be Special Counsel of the Merit Systems Protection Board

August 25, 1982

The President today announced his intention to nominate K. William O'Connor to be Special Counsel of the Merit Systems Protection Board. He would succeed Alex Kozinski, who has resigned.

Since July 1981 Mr. O'Connor has served as Inspector General of the Community Services Administration. He served as Special Counsel for Interagency Coordination and Staff Director of the Executive Group Staff in 1980–1981. His duties included advising the Deputy Attorney General on policy, programs, and matters affecting the Executive Group. In 1978–1980 he was

senior trial attorney (Prosecutor/CSA Task Force), and led teams of investigators and lawyers in grand jury investigations of fraud schemes at the General Services Administration. In 1976–1978 he was Associate Justice and then Chief Justice, High Court of American Samoa. Mr. O'Connor was vice president and counsel, Association of Motion Picture and Television Producers, Inc., in 1975–1976; Special Counsel, Intelligence Coordination, Department of Justice in 1975; Deputy Assistant Attorney General, Civil Rights Division, in 1971–1975; Chief, Criminal Section, Civil Rights Division, 1970–1971; Assistant to the Assistant Attorney General, Civil Rights Division, in 1967–1970. Previously he held various positions with the Jobs Corps.

Mr. O'Connor graduated from the University of Virginia (B.A., 1952; LL.B., 1958). He served in the U.S. Marine Corps and was discharged in 1955 as a first lieutenant.

Mr. O'Connor is married, has four children, and resides in Falls Church, Va. He was born August 1, 1931, in Washington, D.C.

Message to the Congress Transmitting an Alternate Plan for Federal Civilian Pay Increases

August 26, 1982

To the Congress of the United States:

Under the Federal Pay Comparability Act of 1970, an adjustment in Federal white collar pay will be required in October, 1982.

The Act requires that calculations be made annually of the adjustments that would be required in Federal statutory pay systems to achieve comparability with private sector pay for the same levels of work. Using the calculation methods developed in the past, my pay advisers have indicated that an average 18.47 percent increase would be required to achieve comparability as that concept is presently defined.

The Comparability Act gives me authority to propose an alternative adjustment in lieu of comparability, if such action is appropriate because of economic conditions. Under that authority, in accordance with our economic recovery program, I am submitting to the Congress an Alternative Plan for a 4 percent increase in Federal white collar pay this October in lieu of the 18.47 percent increase indicated under current comparability calculation methods.

Current law governing military pay increases provides that the annual increase in military pay be the same as the average Federal white collar increase. However, Congress is currently considering legislation dealing with military pay increases. If legislation is enacted, it will supersede the increase that military personnel would otherwise receive under this Alternative Plan.

RONALD REAGAN

The White House,
August 26, 1982.

REPORT ON FEDERAL PAY ADJUSTMENTS FOR OCTOBER, 1982

Because of economic conditions affecting the general welfare, and in accordance with 5 U.S.C. 5305(c)(1), I hereby transmit to Congress the attached Alternative Plan. The overall percentage of the adjustment in the rates of pay under the General Schedule will be a 4.0 percent increase. The overall percentages of the adjustments in the rates of pay under the other statutory pay systems, the Foreign Service Schedule and the schedules for the Department of Medicine and Surgery of the Veterans' Administration, will also be 4.0 percent increases.

In accordance with 5 U.S.C. 5382(c) the following rates of basic pay for the Senior Executive Service shall become effective on the first day of the first applicable pay period that begins on or after October 1, 1982:

ES–1	$56,945	ES–4	63,800
ES–2	59,230	ES–5	65,500
ES–3	61,515	ES–6	67,200

NOTE: Notwithstanding the salary rates shown, the maximum rate of basic pay legally payable to employees under this schedule may not exceed the rate payable for level IV of the Executive Schedule, currently $58,500.

ALTERNATIVE PLAN

Schedule 1—THE GENERAL SCHEDULE

	1	2	3	4	5
GS–1	$8,676	$8,965	$9,254	$9,542	$9,831
GS–2	9,756	9,987	10,310	10,585	10,703
GS–3	10,645	11,000	11,355	11,710	12,065
GS–4	11,949	12,347	12,745	13,143	13,541
GS–5	13,369	13,815	14,261	14,707	15,153
GS–6	14,901	15,398	15,895	16,392	16,889
GS–7	16,559	17,111	17,663	18,215	18,767
GS–8	18,339	18,950	19,561	20,172	20,783
GS–9	20,256	20,931	21,606	22,281	22,956
GS–10	22,307	23,051	23,795	24,539	25,283
GS–11	24,508	25,325	26,142	26,959	27,776
GS–12	29,374	30,353	31,332	32,311	33,290
GS–13	34,930	36,094	37,258	38,422	39,586
GS–14	41,277	42,653	44,029	45,405	46,781
GS–15	48,553	50,171	51,789	53,407	55,025
GS–16	56,945	58,843	60,741	62,639	64,537
GS–17	66,708	68,932	71,156	73,380	75,604
GS–18	78,184				

	6	7	8	9	10
GS–1	$10,000	$10,286	$10,572	$10,585	$10,857
GS–2	11,018	11,333	11,648	11,963	12,278
GS–3	12,420	12,775	13,130	13,485	13,840
GS–4	13,939	14,337	14,735	15,133	15,531
GS–5	15,599	16,045	16,491	16,937	17,383
GS–6	17,386	17,883	18,380	18,877	19,374
GS–7	19,319	19,871	20,423	20,975	21,527
GS–8	21,394	22,005	22,616	23,227	23,838
GS–9	23,631	24,306	24,981	25,656	26,331
GS–10	26,027	26,771	27,515	28,259	29,003
GS–11	28,593	29,410	30,227	31,044	31,861
GS–12	34,269	35,248	36,227	37,206	38,185
GS–13	40,750	41,914	43,078	44,242	45,406
GS–14	48,157	49,533	50,909	52,285	53,661
GS–15	56,643	58,261	59,879	61,497	63,115
GS–16	66,435	68,333	70,231	72,129	
GS–17					
GS–18					

NOTE: Notwithstanding the salary rates shown, the maximum rate of basic pay legally payable to employees under this schedule may not exceed the rate payable for level V of the Executive Schedule, currently $57,500.

Schedule 2—THE FOREIGN SERVICE SCHEDULE

	1	2	3	4	5	6	7
Class 1	$48,553	$50,010	$51,510	$53,055	$54,647	$56,286	$57,975
Class 2	39,342	40,522	41,738	42,990	44,280	45,608	46,976
Class 3	31,879	32,835	33,820	34,835	35,880	36,956	38,065
Class 4	25,831	26,606	27,404	28,226	29,073	29,945	30,844
Class 5	20,931	21,559	22,206	22,872	23,558	24,265	24,993
Class 6	18,712	19,273	19,852	20,447	21,061	21,692	22,343
Class 7	16,728	17,230	17,747	18,279	18,828	19,392	19,974
Class 8	14,954	15,403	15,865	16,341	16,831	17,336	17,856
Class 9	13,369	13,770	14,183	14,609	15,047	15,498	15,963
	8	9	10	11	12	13	14
Class 1	59,714	61,505	63,115	63,115	63,115	63,115	63,115
Class 2	48,386	49,837	51,332	52,872	54,459	56,092	57,775
Class 3	39,207	40,383	41,595	42,843	44,128	45,452	46,815
Class 4	31,769	32,722	33,704	34,715	35,756	36,829	37,934
Class 5	25,742	26,515	27,310	28,130	28,973	29,843	30,738
Class 6	23,013	23,704	24,415	25,147	25,902	26,679	27,479
Class 7	20,573	21,191	21,826	22,481	23,155	23,850	24,566
Class 8	18,392	18,943	19,512	20,097	20,700	21,321	21,960
Class 9	16,442	16,935	17,444	17,967	18,506	19,061	19,633

NOTE: Notwithstanding the salary rates shown, the maximum rate of basic pay legally payable to employees under this schedule may not exceed the rate payable for level V of the Executive Schedule, currently $57,500.

Schedule 3—DEPARTMENT OF MEDICINE AND SURGERY SCHEDULES, VETERANS' ADMINISTRATION

	Minimum	Maximum
Sec. 4103 schedule:		
Chief Medical Director	(1)	[2] $87,676
Deputy Chief Medical Director	(1)	[3] 84,106
Associate Deputy Chief Medical Director	(1)	[4] 80,558
Assistant Chief Medical Director	(1)	[4] 78,184
Medical Director	[4] $66,708	[4] 75,604
Director of Nursing Service	[4] 66,708	[4] 75,604
Director of Podiatric Service	56,945	[4] 72,129
Director of Chaplain Service	56,945	[4] 72,129
Director of Pharmacy Service	56,945	[4] 72,129
Director of Dietetic Service	56,945	[4] 72,129
Director of Optometric Service	56,945	[4] 72,129
Physician and dentist schedule:		
Director grade	56,945	[4] 72,129
Executive grade	52,581	[4] 68,358
Chief grade	48,553	[4] 63,115
Senior grade	41,277	53,661
Intermediate grade	34,930	45,406
Full grade	29,374	38,185
Associate grade	24,508	31,861

Schedule 3—DEPARTMENT OF MEDICINE AND SURGERY SCHEDULES, VETERANS' ADMINISTRATION—Continued

	Minimum	Maximum
Nurse schedule:		
Director grade	48,553	[4] 63,115
Assistant Director grade	41,277	53,661
Chief grade	34,930	45,406
Senior grade	29,374	38,185
Intermediate grade	24,508	31,861
Full grade	20,256	26,331
Associate grade	17,431	22,660
Junior grade	14,901	19,374
Clinical podiatrist and optometrist schedule:		
Chief grade	48,553	[4] 63,115
Senior grade	41,277	53,661
Intermediate grade	34,930	45,406
Full grade	29,374	38,185
Associate grade	24,508	31,861

[1] Single rate.
[2] Notwithstanding the rate shown, the maximum rate payable at this level may not exceed the rate payable for level III of the Executive Schedule, currently $59,500.
[3] Notwithstanding the rate shown, the maximum rate payable at this level may not exceed the rate payable for level IV of the Executive Schedule, currently $58,500.
[4] Notwithstanding the rate shown, the maximum rate payable at these levels may not exceed the rate payable for level V of the Executive Schedule, currently $57,500.

Reappointment of Three Members of the Intergovernmental Advisory Council on Education

August 26, 1982

The President today announced his intention to reappoint the following individuals to be members of the Intergovernmental Advisory Council on Education:

Vance R. Kelly, to serve for a term expiring July 27, 1986. This is a reappointment. He is serving as State Senator for New Hampshire and is chairman of the education committee. He is also commissioner of the New Hampshire Education Commission of the States. He resides in Londonderry, N.H., and was born March 26, 1941.

Jacqueline E. McGregor, to serve for a term expiring July 27, 1986. This is a reappointment. She is currently field director for the Senate campaign of Congressman Phil Ruppe in Michigan. She was a teacher for 18 years in the Wisconsin, New Jersey, and Michigan public school systems. She resides in Iron Mountain, Mich., and was born December 18, 1938.

Dalton Sheppard, Jr., to serve for a term expiring July 27, 1986. This is a reappointment. He is serving as State Representative for South Carolina. He is also president and owner of Credit-Data Corp. He resides in Columbia, S.C., and was born September 2, 1936.

Proclamation 4959—Nordic-America Week, 1982
August 26, 1982

By the President of the United States of America

A Proclamation

From the Viking voyages a millenium ago to the myriad Scandinavians who have come here in more recent times, the Nordic people have made an indelible contribution to the greatness that is America. Danes, Finns, Icelanders, Norwegians and Swedes landed on our East coast and went West, expanded our frontier, tamed the prairie and helped make America the great Nation it is today.

To give recognition to those Scandinavians who had a part in the making of America, a nation-wide series of events will begin in September, called "Scandinavia Today." These events will describe the Nordic gift to the American heritage and will underscore the achievements of those nations in science, art and government.

We have received much from Scandinavia: The Icelandic sagas are monuments of literature; Niels Bohr was a vital link in modern science; Jan Sibelius was one of the giants of music; and Edvard Munch gave the world the visual beauty of his art. They offered us much. Yet, for America, there is more still. The immigrants from Nordic countries infused us with their cultural and intellectual wealth and balanced their traditions with those of immigrants from other countries to help give America its enormous strength and unique resilience. It is fitting that we honor all of their contributions during this special week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate September five through September eleven, 1982, as Nordic-America Week.

I invite the people of the United States to honor these Nordic nations during that week by holding appropriate ceremonies throughout the land and in participating in the many events of the "Scandinavia Today" program through the year.

In Witness Whereof, I have hereunto set my hand this twenty-sixth day of August, in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 10:23 a.m., August 30, 1982*]

Note: The text of the proclamation was released by the Office of the Press Secretary on August 27.

Announcement of the Formation and Membership of the White House Coordinating Council on Women
August 27, 1982

The President today announced the formation of a White House Coordinating Council on Women. Composed of senior White House staff from several key offices, the Council will serve as a focal point for the coordination of policies and issues that are of particular concern to women. The Council will also work on the appointment of women and the development of policy and programs by regularly bringing women's concerns to the attention of the President and appropriate offices within the executive branch.

The President has designated Elizabeth H. Dole, Assistant to the President for Public Liaison, as Chair of the Coordinating Council.

Other standing members of the Coordinating Council on Women are: David R. Gergen, Assistant to the President for Com-

munications; Edwin L. Harper, Assistant to the President for Policy Development; Helene von Damm, Assistant to the President for Presidential Personnel; Joseph R. Wright, Deputy Director, Office of Management and Budget; and Peter E. Teeley, Assistant to the Vice President and Press Secretary.

Margaret D. Tutwiler, Special Assistant to the President and Executive Assistant to the Chief of Staff, will serve as Staff Director for the Council.

The President also announced that the following individuals will serve as members of a working group of the Coordinating Council on Women: Dee Jepsen, Special Assistant to the President for Public Liaison; Thelma Duggin, Special Assistant to the President and Director of the 50 States Project; Joanna Bistany, Special Assistant to the President for Communications; Velma Montoya, Assistant Director for Strategic Planning, Office of Policy Development; Martha Hesse, Special Assistant to the Deputy Director, Office of Management and Budget; Susan Alvarado, Assistant to the Vice President for Congressional Relations; Emily H. Rock, Special Assistant to the Director, Office of Policy Development; and J. Bonnie Newman, Associate Director, Office of Presidential Personnel.

Appointment of Three Members of the White House Staff
August 27, 1982

The President today announced the following appointments:

Dee Ann Jepsen as Special Assistant to the President for Public Liaison, with responsibility for women's organizations. Mrs. Jepsen is a founder of CREED, a nonprofit organization which has been highly successful in bringing about the release of dissidents behind the Iron Curtain through public and political pressure, and a member of the President's Task Force on Private Sector Initiatives. Her husband is Roger W. Jepsen, U.S. Senator from Iowa. She is former manager of his Senate office.

Mary Elizabeth Quint as Deputy Special Assistant. Mrs. Quint is former international president of the General Federation of Women's Clubs. Mrs. Quint will also work on the 50 States Project.

Catherine May Bedell as a Special Consultant to the White House. Mrs. Bedell is a former 6-term Congresswoman from the State of Washington and Chairman of the U.S. International Trade Commission. She will be working with the Governors on the 50 States Project and reporting to Thelma Duggin, Special Assistant to the President for Public Liaison and Director of the 50 States Project.

Message to the House of Representatives Returning Without Approval a Fiscal Year 1982 Supplemental Appropriations Bill
August 28, 1982

To the House of Representatives:

A week ago, the Congress passed important legislation to reduce deficits through tax reform. I worked hard to help win that passage—and at the same time stressed that if we are to keep deficits down we must also keep Federal spending down. We can only do this if the Congress resists the temptation to slide back into old spendthrift habits. I will use every means in my power, including the veto, to prevent that from happening.

Accordingly, today I am returning to the House of Representatives, without my signature, the bill H.R. 6863, making supplemental appropriations for Federal programs and agencies for fiscal year 1982.

I do not take this step lightly. Delay in

the adoption of this legislation poses serious problems for the Department of Defense and other Federal agencies in meeting prior commitments, including payroll, that are funded by this bill. In addition, the bill contains funds for important new programs, such as the Caribbean Basin Initiative, for which funds are needed prior to the beginning of the next fiscal year.

But this bill would bust the budget by nearly a billion dollars. It provides an unacceptable total of $918 million in unrequested and unwarranted increases in domestic spending programs. We have seen a positive reaction to last week's Congressional action in the Nation's securities markets and other areas. It is founded in large measure on a growing conviction that this Government has finally developed the will to set its fiscal house in order. This legislation flies in the face of that conviction. Unless amended to restrict its scope to only those funds that are urgently needed, it will undermine the confidence crucial to continued reductions in deficits and interest rates which we must achieve for sustained economic growth.

Increases in domestic spending include $367 million in funding for items contained in the urgent supplemental I vetoed in June that were subsequently deleted from the urgent supplemental bill I signed in July. Also restored is $892 million in funding that was cut by the Congress last fall. This simply is not tolerable in the face of triple-digit deficits, and I cannot endorse these unwarranted spending increases.

While the enrolled bill includes $918 million in unrequested domestic increases, it provides only $0.5 billion of the $2.6 billion defense program supplementals I requested, a reduction of 82 percent. The enrolled bill fails to provide required funding in virtually every major defense program—military personnel (reduced 52 percent), operation and maintenance (reduced 93 percent), procurement (reduced 86 percent), and military construction (reduced 77 percent).

The bill also unnecessarily restricts the Executive Branch from exercising its authority to allocate funds appropriated by the Congress. Most notable among these are provisions that would:

—prevent the planned consolidation of the Office of the Inspector General into the Department of the Treasury and thereby block improvements in administrative effectiveness and efficiency;

—require the expenditure of $1.75 billion in unexpended balances in 1982 for the Section 8 housing program. The Administration would achieve similar purposes by using budget authority available from program deobligations, rather than new appropriations;

—require the Department of Energy to maintain specified employment levels that are unnecessary for the effective management of the Department;

—require a minimum staffing level for the Railroad Retirement Board, blocking savings that could be achieved through improved management and administrative consolidation;

—direct 1982 Energy and Water funds be made available for a specific project (Tug Fork, West Virginia), that is expected to cost over $1 billion before it is completed; and

—extend, through 1983, the restrictions on the President's ability to deal with the Polish debt problem.

For these reasons, I am returning H.R. 6863 without approval. I urge the Congress to enact immediately a 1982 supplemental appropriations bill that does not contain excessive and unwarranted spending increases for domestic programs and that provides an acceptable balance of supplemental funding for those programs requiring additional money in fiscal year 1982.

Certain important provisions of the bill must be preserved, notably funding for the Caribbean Basin Initiative. This funding is designed to resolve an unprecedented economic crisis that affects a strategic region located at our doorstep. I hope the Congress will review and modify country funding levels to bring them closer in line with the Administration's original request. The Congress has also provided $50 million for special Lebanon emergency relief. This humanitarian assistance is essential for thousands of Lebanese civilians requiring aid. The funds provided for security assistance, while less than I requested, will help demonstrate that countries in pivotal regions of

the world can count on American support when they need it. I strongly urge the Congress to continue to include these essential programs as they work on an acceptable alternative.

To bring the sustained recovery we all want we must not only rewrite this measure; we must also press forward in an all-out attack on wasteful and unnecessary spending. I look forward to prompt Congressional action on a revised bill that will assure continuity in the operations of Federal agencies and be consistent with continued progress toward economic recovery.

RONALD REAGAN

The White House,
August 28, 1982.

Note: On September 9 the House of Representatives voted to override the President's veto, and on September 10 the Senate also voted to override the veto. As enacted, H.R. 6863 is Public Law 97-257.

Statement on Signing the Patent and Trademark Office Appropriations Bill

August 28, 1982

I am pleased to sign into law H.R. 6260 which authorizes appropriations for the Patent and Trademark Office for fiscal years 1983–1985. Throughout our nation's history, the patent system has played a critically important role in stimulating technological advances. This legislation will make it possible for the Patent and Trademark Office to improve its operations and thus revitalize its traditional role of encouraging technical innovation.

This measure reflects the policy of this administration that those who benefit most directly from services should pay their fair share for them. For years the Patent and Trademark Office has not had the resources to carry out its mission properly or to modernize its operations. Now that this legislation is in place, most users will pay the actual cost of processing patents and trademarks. This means that even though the expenditure of tax revenue in FY 1983 to support the Patent and Trademark Office will be $21 million lower than in FY 1982, the total resources available to the Office through increased user fees will permit it to become a first-class service organization.

We neither want nor expect the increased user fees to discourage the ingenuity and creativity of individual inventors. Many of our most important inventions have come from individuals working alone. Accordingly, the bill provides that independent and small business inventors, as well as nonprofit corporations, will pay only 50 percent of the actual patent processing costs.

A major deterrent to using the patent system, especially by small businesses and independent inventors, is the inordinately high cost of patent litigation. This bill authorizes voluntary arbitration of patent validity and infringement disputes. This will not only improve the patent system and encourage innovation but will help relieve the burden on the Federal courts.

Development of new technology is a vital ingredient in my administration's plan for economic recovery. This measure is a significant step in this process. At the same time, it symbolizes our commitment to making the Federal Government more effective and efficient. It is an excellent example of how the Federal Government can provide better service at less cost to the taxpayers, and I commend the Congress for enacting this important measure.

Note: As enacted, H.R. 6260 is Public Law 97-247, approved August 27.

Radio Address to the Nation on the Economy
August 28, 1982

My fellow Americans:

Hello again. It's great to be back speaking to you over weekly radio. I hope this is the first of many broadcasts to come. I've missed these weekly visits.

Just 12 days ago, I went on television to ask your support for a bipartisan tax reform and spending reduction bill. As you'll recall, I told you I had to swallow hard to support that bill myself. I didn't like the idea of revenue increases and still don't. But to get the spending cuts which I think most of us want and which we must have to reduce deficits, keep interest rates going down, and get the unemployed back to work, we had to accept the increased revenues. But I argued then and I repeat now: Most of the revenue part of that bill was not really a tax increase at all, but a reform of existing tax laws.

The tax cut passed last year remains the biggest tax cut in history. Even with the $99 billion increase, the tax cut over the next 3 years will amount to $335 billion. The savings to the average American family this year is $400; next year it will be $788. Even more important, however, we'll reduce the deficits over these next 3 years by $378.5 billion. If we stay on course and work together, we can look to a day when we can start reducing that trillion-dollar debt. And I think you like that "working together" idea.

I received a letter just the other day from a lady in Florida. I hope she won't mind if I share it with you. Patricia Morgan writes that she sees unity among us again, the kind of unity we had during World War II—we Americans, all pulling together. That's what America is. That is our power. Patricia Morgan, I couldn't agree more. American power is reasserting itself.

The day before yesterday, the Federal Reserve lowered the discount rate to 10 percent—the lowest it has been in 2 years. Double-digit inflation, once 12.4 percent, has been for the last 7 months only 5.4 percent. The prime interest rate, 21.5 percent a year and a half ago, is now 13.5 percent and very probably going lower.

The other day, the Security Savings and Loan of Milwaukee, Wisconsin, made $100 million available for home mortgages at 11.9 percent interest. And we've just seen a week-long breaking of virtually every record on Wall Street for trade in stocks and bonds.

No, we're not out of the woods yet. But we can maintain this momentum, reopen factory gates, rebuild America, and make this country number one again—not overnight, of course, but slowly, surely, we can do it. It all hinges on one question: Do we as a nation have the unshakable determination to get Federal spending under control once and for all? With 20 unbalanced budgets in the last 21 years, the burden of proof is on us.

We need a constitutional check against red-ink spending. Four of five of you support this idea. The Senate recently passed a bill that takes us one step closer to such a constitutional amendment. It is now up to the House leadership to make sure the full House votes on this issue as soon as possible in this session of the Congress. If not, you, the voters, will have an opportunity in November to make your feelings heard about that.

On the subject of spending, though, I can't wait until November. A few days ago a supplemental appropriations bill to fund several programs and agencies for the rest of this fiscal year was sent to me for signature or veto. The legislation contained funding to meet payrolls of the Department of Defense and other Federal agencies. It also included a vital new program we've sought that is essential to our hemispheric solidarity and security—the Caribbean Basin Initiative. But it also contained funding for several things I've vetoed already as being unnecessary and was almost a billion dollars over budget for domestic programs.

We've gone on record as committed to reduce projected deficits by $380 billion over the next 3 years. I believe that commitment begins with holding the line on a

budget that has little more than a month to run. So even though it means delay in getting legislation I believe is vital to our nation's welfare, I have therefore vetoed that supplemental appropriations bill.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 9:06 a.m. from Rancho del Cielo, his ranch near Santa Barbara, Calif. As printed above, his address follows the text of the White House press release.

Statement by Deputy Press Secretary Speakes on the Palestinian Situation

August 30, 1982

The United States Government is pleased that the Palestinian problem is receiving priority attention among the governments in the Middle East.

We have seen a reaffirmation of Israel's desire to move ahead with the peace process on the basis of Camp David. We continue to have consultations with both Israel and Egypt in an effort to decide how to proceed in our common effort to resolve the Palestinian problem in all of its aspects.

The U.S.—this administration, as its predecessors—is committed to the territorial integrity and sovereignty of Jordan and our support for its enduring character. We do not agree that Jordan is a Palestinian state.

What it boils down to is that this is a matter for future discussion, the autonomy process under the Camp David accords.

Note: Deputy Press Secretary Larry M. Speakes made the statement during his regular briefing for reporters, which began at 10:05 a.m. at the Santa Barbara Sheraton Hotel in Santa Barbara, Calif.

Appointment of 16 Members of the Advisory Committee for Trade Negotiations

August 31, 1982

The President today announced his intention to appoint the following individuals to be members of the Advisory Committee for Trade Negotiations for terms of 2 years:

William M. Agee is chief executive officer and chairman of the Bendix Corp. He will succeed W. J. Amoss, Jr.

Warren S. Chase is assistant vice president of the Bank of Boston International in New York City. He will succeed Norborne Berkeley, Jr.

George B. Cook is former chairman of Bankers Life of Nebraska and resides in Lincoln, Nebr. He will succeed James H. Binger.

Douglas A. Fraser is president of the United Auto Workers in Detroit, Mich. This is a reappointment.

Francis P. Graves, Jr., is owner and president of Graves Aviation Co. in St. Paul, Minn. He will succeed David William Brooks.

Barbara Hackman Franklin is senior fellow in public management of the Wharton School at the University of Pennsylvania. She will succeed Alex Chisholm.

John G. Hutchens is president of Food World, Inc., in High Point, N.C. He will succeed Murray H. Finley.

Lloyd I. Miller is president, chief executive officer, and director of American Controlled Industries, Inc., in Cincinnati, Ohio. He will succeed Maurice R. Greenberg.

Peter C. Murphy, Jr., is president of the Murphy Co. in Springfield, Oreg. He will succeed Karl D. Gregory.

Kenneth Dale Naden is president of the National

Council of Farmer Cooperatives in Washington, D.C. This is a reappointment.

Albert H. Quie is Governor of the State of Minnesota. He will succeed Jiro Murase.

Michael S. Robertson is treasurer of Falmouth Marine, Inc., in Falmouth, Mass. He will succeed Richard E. Heckert.

J. Gary Shansby is president and chief executive officer of Shaklee Corp. in San Francisco, Calif. He will succeed Ruth J. Hinerfeld.

Thomas C. Theobald is vice chairman of Citibank and Citicorp in New York City. He will succeed Robert M. Ivie.

Samuel H. Washburn is president of the National Cattleman's Association in Englewood, Colo. He will succeed Franklin A. Jacobs.

Emory Williams is chairman of the board of the Chicago-Milwaukee Corp. in Chicago, Ill. He will succeed William D. Knox.

Letter to President Aristides Pereira of Cape Verde on United States Acceptance of the Gift of the Schooner *Ernestina*
August 31, 1982

Dear Mr. President:

The gift of the schooner "Ernestina," restored so carefully by your Government and the ship's many friends, is deeply appreciated. Its presence in New England will be a reminder of the seafaring traditions and special ties that our peoples share.

On behalf of my fellow Americans, to whom you have so thoughtfully given the "Ernestina," let me thank you for an enduring symbol of private endeavor and of effective cooperation between our governments.

As you thoughtfully suggest, let it also be an example for larger cooperation and understanding among the peoples of the world.

Sincerely,

RONALD REAGAN

[His Excellency Aristides Pereira, President of the Republic of Cape Verde, Praia]

Note: The Ernestina, *which carried thousands of Cape Verdians to the United States as immigrants in the early part of this century, was purchased and rehabilitated by the Cape Verde Government with help from private U.S. citizens of Cape Verde descent. It was being sailed to Providence, R.I., and New Bedford, Mass., for presentation to the United States.*

Nomination of Rozanne L. Ridgway To Be United States Ambassador to the German Democratic Republic
September 1, 1982

The President today announced his intention to nominate Rozanne L. Ridgway, of Washington, D.C., to be Ambassador to the German Democratic Republic. She would succeed Herbert S. Okun.

Miss Ridgway entered the Foreign Service in 1957 as information specialist in the Department. She was personnel officer in Manila (1959–62) and visa officer in Palermo (1962–64). In 1964–1967 she was international relations officer in the Bureau of European Affairs in the Department and political officer in Oslo in 1967–1970. In the Department she was desk officer for Ecuadorean Affairs (1970–1972), and Deputy Director of Policy Planning and Coordination in the Bureau of Inter-American Affairs (1972–1973). In 1973–1975 she was Deputy Chief of Mission in Nassau. She was Deputy Assistant Secretary of State for Oceans and Fisheries Affairs in the Department in 1975–1977, with the rank of Ambassador

from 1976 to 1977. She was Ambassador to Finland (1977–1980) and Counselor of the Department of State (1980–1981). Since 1981 she has been Special Assistant to the Secretary of State.

Miss Ridgway was born August 22, 1935, in St. Paul, Minn. She graduated (B.A.) summa cum laude in 1957 from Hamline University. Her foreign languages are Italian, Norwegian, and Spanish.

Nomination of Lawrence F. Davenport To Be an Assistant Secretary of Education

September 1, 1982

The President today announced his intention to nominate Lawrence F. Davenport to be Assistant Secretary for Elementary and Secondary Education, Department of Education. He would succeed Vincent E. Reed who has resigned.

Since 1981 Dr. Davenport has served as Associate Director of the ACTION agency (Domestic and Anti-Poverty Operations). From 1979 to 1981, Dr. Davenport was provost of the San Diego Community College District. In that position he served as the chief academic officer of the second largest district in the State of California and the third largest district in the United States. From 1974 to 1979, he was president of the San Diego Community College Educational Cultural Complex. Dr. Davenport served as vice president for development of Tuskegee Institute in 1972–1974. In 1969–1972 he was director of special projects at the University of Michigan (Flint) and in 1972 was assistant dean for special projects. In 1968–1969 he was assistant director of student activities at Lansing Community College in Michigan.

In 1970 he was appointed by President Nixon to serve on the National Advisory Council on Vocational Education and in 1971 was appointed Chairman. In 1972 Dr. Davenport was appointed by the Secretary of Labor to the National Manpower Advisory Council. He was appointed by President Nixon to the National Advisory Council on Equality of Educational Opportunity in 1973.

Dr. Davenport graduated from Michigan State University (B.A., 1968) and Farleigh Dickinson (Ph. D., 1975). He resides in Spring Valley, Calif. He was born on October 13, 1944.

Nomination of Edward W. Ray To Be a Commissioner of the Copyright Royalty Tribunal

September 1, 1982

The President today announced his intention to nominate Edward W. Ray to be a Commissioner of the Copyright Royalty Tribunal for a term of 7 years from September 27, 1982. This is a reappointment.

Since 1981 Mr. Ray has served as a Commissioner of the Copyright Royalty Tribunal. From 1979 to 1981, he was president of California Multiple Industries, a real estate investment management firm in Los Angeles, Calif. He was vice president and general manager of Cream-Hi Records (Memphis Division) in 1976–1979; president and owner of Eddie Ray Music Enterprises, Inc. (Memphis), in 1974–1979; vice president of Artist and Repertoire, MGM Records (Los Angeles), in 1970–1974; executive vice president and chief operating officer of the Record/Music Division, Burt Sugarman/Pierre Cossetts Television Production Co.,

in 1969–1970; vice president for Artist and Repertoire, Capital Records, in 1964–1969; and executive assistant to the president, Imperial Records (Los Angeles), in 1955–1964.

He graduated from Los Angeles City College and Memphis State University. He has two children and resides in Los Angeles, Calif. He was born December 21, 1926, in Franklin, N.C.

Statement by Deputy Press Secretary Speakes on Violence in Poland

September 1, 1982

The President deeply deplores the acts of violence which resulted in the tragic loss of life in Lubin. He deeply regrets and condemns the use of deadly force to break up peaceful demonstrations in Warsaw and other cities on Solidarity's second anniversary.

These events once again point up the need for reconciliation and restoration by the Government of basic human rights in Poland. The fact that demonstrations involving thousands occurred in eight major cities in the face of Government warnings that security forces would use violence to put them down and dole out summary punishments vividly illustrates and demonstrates the strength of the dedication of the Polish people to free trade unions and other basic liberties.

The deaths of the two individuals in Lubin can only serve to deepen the already extensive chasm separating Polish authorities from the Polish people.

The Polish Government's actions against the demonstrators are the latest manifestation of martial law in Poland and dramatize the significance of the policies which the President announced last December.

Message to the Congress Transmitting a Report on Exclusions From the Federal Merit Pay System

September 1, 1982

To the Congress of the United States:

Supervisors and management officials in GS–13, 14, and 15 positions throughout the Federal Government are covered by the Merit Pay System as required by Chapter 54, Title 5, U.S. Code, unless otherwise excluded by law.

Upon proper application from the heads of affected agencies and upon the recommendation of the Director of the Office of Personnel Management, I have, pursuant to 5 U.S.C. 5401(b)(2)(B), excluded 9 agencies and units of agencies from coverage under the Merit Pay System.

Attached is my report describing the agency or unit to be excluded and the reasons therefor.

RONALD REAGAN

The White House,
September 1, 1982.

Note: The exclusions affect certain employees of the Board of Veterans Appeals, Veterans Administration; the Advisory Committee on Federal Pay; the National Mediation Board; NATO, International Staff (Evere, Belgium); NATO Integrated Communications System Management Agency (Brussels, Belgium); NATO Maintenance and Supply Agency (Luxembourg City, Luxembourg); NATO Supply Center (Capellen, Luxem-

bourg); Supreme Headquarters Allied Powers Europe, SHAPE (Belgium); and the Federal Aviation Administration, Department of Transportation.

Address to the Nation on United States Policy for Peace in the Middle East

September 1, 1982

My fellow Americans:

Today has been a day that should make us proud. It marked the end of the successful evacuation of PLO from Beirut, Lebanon. This peaceful step could never have been taken without the good offices of the United States and especially the truly heroic work of a great American diplomat, Ambassador Philip Habib.

Thanks to his efforts, I'm happy to announce that the U.S. Marine contingent helping to supervise the evacuation has accomplished its mission. Our young men should be out of Lebanon within 2 weeks. They, too, have served the cause of peace with distinction, and we can all be very proud of them.

But the situation in Lebanon is only part of the overall problem of conflict in the Middle East. So, over the past 2 weeks, while events in Beirut dominated the front page, America was engaged in a quiet, behind-the-scenes effort to lay the groundwork for a broader peace in the region. For once there were no premature leaks as U.S. diplomatic missions traveled to Mideast capitals, and I met here at home with a wide range of experts to map out an American peace initiative for the long-suffering peoples of the Middle East—Arab and Israeli alike.

It seemed to me that with the agreement in Lebanon we had an opportunity for a more far-reaching peace effort in the region, and I was determined to seize that moment. In the words of the scripture, the time had come to "follow after the things which make for peace." Tonight I want to report to you the steps we've taken and the prospects they can open up for a just and lasting peace in the Middle East.

America has long been committed to bringing peace to this troubled region. For more than a generation, successive United States administrations have endeavored to develop a fair and workable process that could lead to a true and lasting Arab-Israeli peace.

Our involvement in the search for Mideast peace is not a matter of preference; it's a moral imperative. The strategic importance of the region to the United States is well known, but our policy is motivated by more than strategic interests. We also have an irreversible commitment to the survival and territorial integrity of friendly states. Nor can we ignore the fact that the well-being of much of the world's economy is tied to stability in the strife-torn Middle East. Finally, our traditional humanitarian concerns dictated a continuing effort to peacefully resolve conflicts.

When our administration assumed office in January of 1981, I decided that the general framework for our Middle East policy should follow the broad guidelines laid down by my predecessors. There were two basic issues we had to address. First, there was the strategic threat to the region posed by the Soviet Union and its surrogates, best demonstrated by the brutal war in Afghanistan, and, second, the peace process between Israel and its Arab neighbors.

With regard to the Soviet threat, we have strengthened our efforts to develop with our friends and allies a joint policy to deter the Soviets and their surrogates from further expansion in the region and, if necessary, to defend against it.

With respect to the Arab-Israeli conflict, we've embraced the Camp David framework as the only way to proceed. We have also recognized, however, solving the Arab-Israeli conflict in and of itself cannot assure peace throughout a region as vast and troubled as the Middle East.

Our first objective under the Camp David process was to ensure the successful fulfillment of the Egyptian-Israeli peace treaty. This was achieved with the peaceful return of the Sinai to Egypt in April 1982. To accomplish this, we worked hard with our Egyptian and Israeli friends and, eventually, with other friendly countries to create the multinational force which now operates in the Sinai. Throughout this period of difficult and time-consuming negotiations, we never lost sight of the next step of Camp David—autonomy talks to pave the way for permitting the Palestinian people to exercise their legitimate rights. However, owing to the tragic assassination of President Sadat and other crises in the area, it was not until January 1982 that we were able to make a major effort to renew these talks.

Secretary of State Haig and Ambassador Fairbanks made three visits to Israel and Egypt early this year to pursue the autonomy talks. Considerable progress was made in developing the basic outline of an American approach which was to be presented to Egypt and Israel after April.

The successful completion of Israel's withdrawal from Sinai and the courage shown on this occasion by Prime Minister Begin and President Mubarak in living up to their agreements convinced me the time had come for a new American policy to try to bridge the remaining differences between Egypt and Israel on the autonomy process. So, in May I called for specific measures and a timetable for consultations with the Governments of Egypt and Israel on the next steps in the peace process. However, before this effort could be launched, the conflict in Lebanon preempted our efforts.

The autonomy talks were basically put on hold while we sought to untangle the parties in Lebanon and still the guns of war. The Lebanon war, tragic as it was, has left us with a new opportunity for Middle East peace. We must seize it now and bring peace to this troubled area so vital to world stability while there is still time. It was with this strong conviction that over a month ago, before the present negotiations in Beirut had been completed, I directed Secretary of State Shultz to again review our policy and to consult a wide range of outstanding Americans on the best ways to strengthen chances for peace in the Middle East.

We have consulted with many of the officials who were historically involved in the process, with Members of the Congress, and with individuals from the private sector. And I have held extensive consultations with my own advisers on the principles that I will outline to you tonight.

The evacuation of the PLO from Beirut is now complete, and we can now help the Lebanese to rebuild their war-torn country. We owe it to ourselves and to posterity to move quickly to build upon this achievement. A stable and revived Lebanon is essential to all our hopes for peace in the region. The people of Lebanon deserve the best efforts of the international community to turn the nightmares of the past several years into a new dawn of hope. But the opportunities for peace in the Middle East do not begin and end in Lebanon. As we help Lebanon rebuild, we must also move to resolve the root causes of conflict between Arabs and Israelis.

The war in Lebanon has demonstrated many things, but two consequences are key to the peace process. First, the military losses of the PLO have not diminished the yearning of the Palestinian people for a just solution of their claims; and, second, while Israel's military successes in Lebanon have demonstrated that its armed forces are second to none in the region, they alone cannot bring just and lasting peace to Israel and her neighbors.

The question now is how to reconcile Israel's legitimate security concerns with the legitimate rights of the Palestinians. And that answer can only come at the negotiating table. Each party must recognize that the outcome must be acceptable to all and that true peace will require compromises by all.

So, tonight I'm calling for a fresh start. This is the moment for all those directly concerned to get involved—or lend their support—to a workable basis for peace. The Camp David agreement remains the foundation of our policy. Its language provides all parties with the leeway they need for successful negotiations.

I call on Israel to make clear that the security for which she yearns can only be achieved through genuine peace, a peace requiring magnanimity, vision, and courage.

I call on the Palestinian people to recognize that their own political aspirations are inextricably bound to recognition of Israel's right to a secure future.

And I call on the Arab States to accept the reality of Israel—and the reality that peace and justice are to be gained only through hard, fair, direct negotiation.

In making these calls upon others, I recognize that the United States has a special responsibility. No other nation is in a position to deal with the key parties to the conflict on the basis of trust and reliability.

The time has come for a new realism on the part of all the peoples of the Middle East. The State of Israel is an accomplished fact; it deserves unchallenged legitimacy within the community of nations. But Israel's legitimacy has thus far been recognized by too few countries and has been denied by every Arab State except Egypt. Israel exists; it has a right to exist in peace behind secure and defensible borders; and it has a right to demand of its neighbors that they recognize those facts.

I have personally followed and supported Israel's heroic struggle for survival, ever since the founding of the State of Israel 34 years ago. In the pre-1967 borders Israel was barely 10 miles wide at its narrowest point. The bulk of Israel's population lived within artillery range of hostile Arab armies. I am not about to ask Israel to live that way again.

The war in Lebanon has demonstrated another reality in the region. The departure of the Palestinians from Beirut dramatizes more than ever the homelessness of the Palestinian people. Palestinians feel strongly that their cause is more than a question of refugees. I agree. The Camp David agreement recognized that fact when it spoke of the legitimate rights of the Palestinian people and their just requirements.

For peace to endure it must involve all those who have been most deeply affected by the conflict. Only through broader participation in the peace process, most immediately by Jordan and by the Palestinians, will Israel be able to rest confident in the knowledge that its security and integrity will be respected by its neighbors. Only through the process of negotiation can all the nations of the Middle East achieve a secure peace.

These, then, are our general goals. What are the specific new American positions, and why are we taking them? In the Camp David talks thus far, both Israel and Egypt have felt free to express openly their views as to what the outcome should be. Understandably their views have differed on many points. The United States has thus far sought to play the role of mediator. We have avoided public comment on the key issues. We have always recognized and continue to recognize that only the voluntary agreement of those parties most directly involved in the conflict can provide an enduring solution. But it's become evident to me that some clearer sense of America's position on the key issues is necessary to encourage wider support for the peace process.

First, as outlined in the Camp David accords, there must be a period of time during which the Palestinian inhabitants of the West Bank and Gaza will have full autonomy over their own affairs. Due consideration must be given to the principle of self-government by the inhabitants of the territories and to the legitimate security concerns of the parties involved. The purpose of the 5-year period of transition which would begin after free elections for a self-governing Palestinian authority is to prove to the Palestinians that they can run their own affairs and that such Palestinian autonomy poses no threat to Israel's security.

The United States will not support the use of any additional land for the purpose of settlements during the transitional period. Indeed, the immediate adoption of a settlement freeze by Israel, more than any other action, could create the confidence needed for wider participation in these talks. Further settlement activity is in no way necessary for the security of Israel and only diminishes the confidence of the Arabs that a final outcome can be freely and fairly negotiated.

I want to make the American position

well understood. The purpose of this transitional period is the peaceful and orderly transfer of authority from Israel to the Palestinian inhabitants of the West Bank and Gaza. At the same time, such a transfer must not interfere with Israel's security requirements.

Beyond the transition period, as we look to the future of the West Bank and Gaza, it is clear to me that peace cannot be achieved by the formation of an independent Palestinian state in those territories, nor is it achievable on the basis of Israeli sovereignty or permanent control over the West Bank and Gaza. So, the United States will not support the establishment of an independent Palestinian state in the West Bank and Gaza, and we will not support annexation or permanent control by Israel.

There is, however, another way to peace. The final status of these lands must, of course, be reached through the give and take of negotiations. But it is the firm view of the United States that self-government by the Palestinians of the West Bank and Gaza in association with Jordan offers the best chance for a durable, just, and lasting peace. We base our approach squarely on the principle that the Arab-Israeli conflict should be resolved through negotiations involving an exchange of territory for peace.

This exchange is enshrined in United Nations Security Council Resolution 242, which is, in turn, incorporated in all its parts in the Camp David agreements. U.N. Resolution 242 remains wholly valid as the foundation stone of America's Middle East peace effort. It is the United States position that, in return for peace, the withdrawal provision of Resolution 242 applies to all fronts, including the West Bank and Gaza. When the border is negotiated between Jordan and Israel, our view on the extent to which Israel should be asked to give up territory will be heavily affected by the extent of true peace and normalization, and the security arrangements offered in return.

Finally, we remain convinced that Jerusalem must remain undivided, but its final status should be decided through negotiation.

In the course of the negotiations to come, the United States will support positions that seem to us fair and reasonable compromises and likely to promote a sound agreement. We will also put forward our own detailed proposals when we believe they can be helpful. And, make no mistake, the United States will oppose any proposal from any party and at any point in the negotiating process that threatens the security of Israel. America's commitment to the security of Israel is ironclad, and, I might add, so is mine.

During the past few days, our Ambassadors in Israel, Egypt, Jordan, and Saudi Arabia have presented to their host governments the proposals, in full detail, that I have outlined here today. Now I'm convinced that these proposals can bring justice, bring security, and bring durability to an Arab-Israeli peace. The United States will stand by these principles with total dedication. They are fully consistent with Israel's security requirements and the aspirations of the Palestinians.

We will work hard to broaden participation at the peace table as envisaged by the Camp David accords. And I fervently hope that the Palestinians and Jordan, with the support of their Arab colleagues, will accept this opportunity.

Tragic turmoil in the Middle East runs back to the dawn of history. In our modern day, conflict after conflict has taken its brutal toll there. In an age of nuclear challenge and economic interdependence, such conflicts are a threat to all the people of the world, not just the Middle East itself. It's time for us all—in the Middle East and around the world—to call a halt to conflict, hatred, and prejudice. It's time for us all to launch a common effort for reconstruction, peace, and progress.

It has often been said—and, regrettably, too often been true—that the story of the search for peace and justice in the Middle East is a tragedy of opportunities missed. In the aftermath of the settlement in Lebanon, we now face an opportuntiy for a broader peace. This time we must not let it slip from our grasp. We must look beyond the difficulties and obstacles of the present and move with a fairness and resolve toward a brighter future. We owe it to ourselves—and to posterity—to do no less. For if we miss this chance to make a fresh start, we

may look back on this moment from some later vantage point and realize how much that failure cost us all.

These, then, are the principles upon which American policy toward the Arab-Israeli conflict will be based. I have made a personal commitment to see that they endure and, God willing, that they will come to be seen by all reasonable, compassionate people as fair, achievable, and in the interests of all who wish to see peace in the Middle East.

Tonight, on the eve of what can be a dawning of new hope for the people of the troubled Middle East—and for all the world's people who dream of a just and peaceful future—I ask you, my fellow Americans, for your support and your prayers in this great undertaking.

Thank you, and God bless you.

Note: The President spoke at 6 p.m. from the studios of KNBC-TV in Burbank, Calif. The address was broadcast live on nationwide radio and television.

Nomination of Henry Allen Holmes To Be United States Ambassador to Portugal

September 2, 1982

The President today announced his intention to nominate Henry Allen Holmes, of Washington, D.C., to be Ambassador to Portugal. He would succeed Richard J. Bloomfield.

Mr. Holmes served in the United States Marine Corps in 1954–1957 as captain. He was an intelligence research analyst in the Department of State in 1958–1959 and entered the Foreign Service in 1959 as consular and political officer in Yaounde. In the Department he was Foreign Affairs Officer (1961–1963) and Staff Assistant to the Under Secretary of State for Political Affairs (1963). In 1963–67 he was political officer in Rome and was Foreign Affairs Officer in the Department in 1967–1970. He was Counselor for Political Affairs in Paris in 1970–1974. He attended the Executive Seminar in National and International Affairs at the Foreign Service Institute in 1974–1975 and was Director of the Office of NATO and Atlantic Affairs in the Bureau of European Affairs in 1975–1977. He was Deputy Chief of Mission in Rome in 1977–1979 and, since 1979, has been Principal Deputy Assistant Secretary of State for European Affairs.

Mr. Holmes was born January 11, 1933, in Bucharest, Romania, of American parents. He graduated from Princeton University (A.B., 1954) and received a certificate in 1958 from the University of Paris. His foreign languages are French and Italian.

Reappointment of Five Members of the National Advisory Council on Adult Education

September 3, 1982

The President today announced his intention to reappoint the following individuals to be members of the National Advisory Council on Adult Education for a term expiring July 10, 1985:

Joyce Lee Gorringe
Nancy H. Hill
Kathleen McCullough
Michael Marino
Mary Elizabeth Strother

These individuals were originally appointed to the Council on January 19, 1982.

Appointment of Walter B. Wriston as Chairman of the President's Economic Policy Advisory Board

September 3, 1982

The President today appointed Walter B. Wriston as Chairman of the President's Economic Policy Advisory Board. He will succeed George P. Shultz.

Mr. Wriston is chairman of the board and chief executive officer of Citicorp. He has been a member of the President's Economic Policy Advisory Board since its creation in February 1981.

Mr. Wriston has served with Citicorp and its chief subsidiary, Citibank, since 1946. He was named an assistant vice president of Citibank in 1952, a senior vice president in 1958, and executive vice president in 1960. He became president of Citibank in 1967 and was named president of Citicorp when it was formed in 1968. He assumed his present position with Citicorp in 1970.

He is director of six corporations and a member of several business and civic organizations. He is chairman of the Business Council, director of the Economic Council of New York, a member of the Advisory Committee on Reform of the International Monetary System, and a trustee of the American Enterprise Institute.

Mr. Wriston received a B.A. degree from Wesleyan University and an M.A. degree from the Fletcher School of Law and Diplomacy at Tufts University.

Nomination of Charles L. Heatherly To Be a Deputy Under Secretary of Education

September 3, 1982

The President today announced his intention to nominate Charles L. Heatherly to be Deputy Under Secretary for Management, Department of Education. He would succeed Kent Lloyd.

Since June 1981 Mr. Heatherly has been executive secretary to the Secretary, Department of Education. Previously he was director of resource bank and director of special projects, The Heritage Foundation, in 1979–1981; director of education, National Federation of Independent Business, 1973–1979; and western director, Intercollegiate Studies Institute, Los Angeles, Calif., in 1969–1973.

He graduated from the University of Arizona (B.A., 1965) and Claremont Graduate School and University Center (M.A., 1975). He is married, has three children, and resides in Springfield, Va. Mr. Heatherly was born June 6, 1942, in Elizabethton, Tenn.

Radio Address to the Nation on the Observance of Labor Day

September 4, 1982

My fellow Americans:

I'm glad to join all of you on this final weekend of the summer. Family vacations are now ending, kids are going back to school, and communities all over the Nation are preparing for Labor Day parades. And, by the way, this year marks the 100th anniversary of the first Labor Day parade. It isn't true that I was in that first parade; I've just read about it.

On Monday, we celebrate the dignity and productivity of America's working people.

Our country has prospered because we're a nation of workers, and today there are nearly 100 million at work—more than 100 million according to the unadjusted figures and 99.8 million in the seasonally adjusted figures. Now, if that confuses you, well, I'm confused, too.

Unfortunately, on this Labor Day, however, too many of our fellow citizens are unemployed. That's a terrible word, "unemployed." It means hardship, uncertainty, frustration, helplessness. Many who are unemployed feel caught up in something they don't understand and over which they have no control. And they're right. It's not the fault of the laid-off fellow in Detroit that he's out of work. It's not his fault the autos aren't rolling down the assembly line. It's not the fault of the unemployed mother in Delaware that the printing plant closed down, throwing her out of a job.

The fact is unemployment has been gaining on us for years. Since 1976 the unemployment rate in this country has averaged over 7 percent—far higher than in earlier postwar years. It was only 2.9 percent in 1953.

I'm convinced that in these last few decades the increased intervention by government in the marketplace, tax policies that took too great a percentage of overall earnings, plus burdensome and unnecessary regulations reduced economic growth and kept us from creating new jobs for newcomers entering the job market.

Today the unemployment rate is 9.8 percent, and still the number of people with jobs is a higher percentage of those of working age than we had in times of full employment—higher than in 1953 when, as I said, unemployment was only 2.9 percent. I guess what I'm trying to point out is that our unemployment problem is due to more than just the present recession. We must not only work our way out of the recession, we must adopt policies that will stimulate economic growth and create new jobs for the increased numbers entering the job market.

This is the goal of our economic recovery program. Yes, it marks a decided turnaround from government tax-and-spend policies of the past four decades—deliberately so. And I believe it'll work. Indeed, the signs are there that it's beginning to work.

Last week I called attention to the decline in interest rates—21½ percent down to 13½ percent; inflation down from 12.4 percent to 5.4 percent since the first of the year. A family of four with a $15,000 income has $1,000 more in purchasing power than it would have if inflation had stayed at 12.4 percent.

Now, I know this is hard to see because prices keep going up. But they aren't going up as fast or as much as they were. What we're all waiting for is that zero rate when they stay where they are or even drop a little. Well, that, too, is what our program is designed to accomplish. And the leading economic indicators by which we know whether the economy is improving or getting worse have climbed for the fourth month in a row. That hasn't happened for a long time.

Clearly, the most important question now before us is whether we have the will and determination to hold our course. The next test will come when the Congress returns to Washington and decides whether to sustain my veto of a supplemental spending bill that would drive up spending once again. I hope we can work together to develop a more responsible bill.

In the meantime, I hope you'll join me this Labor Day weekend in saluting the workers of America. And while we're doing that, perhaps we can spare a moment of prayer for some workers in another country.

Here in America on Labor Day, we hold parades to support the principles of freedom. In Poland a few days ago, the people peacefully gathered to mark the second anniversary of Solidarity—a labor movement which revived our hope that nonviolent change and basic human rights could come to a closed Communist community. Their parade was met with guns, concussion grenades, tear gas, and water cannons.

As we attend our parades and picnics, let us remember how fortunate we are to be a free people. Let us remember the handwritten prayer that was recently found in an alcove of a Polish church. It read, "Thank you, Lord, that into this temple I

may bring verses. It's the only place in our homeland where every Pole feels free and where he may evoke his pain. I beg you to give my country the strength to endure."

Well, let us in America be thankful for the strength of our free labor movement. May it long endure.

Thanks for listening, and God bless you. I'll be back next week at this same time.

Note: The President spoke at 9:06 a.m. from Rancho del Cielo, his ranch near Santa Barbara, Calif.

Letter to Mayor Elias Freij of Bethlehem on the Palestinian Situation

September 5, 1982

Mr. Mayor:

I wish to express to you my deepest gratitude for your message of support for the proposals which I outlined in my address on September 1. It is particularly important to have your endorsement of my approach to peace. You are not only a recognized and respected Palestinian leader, but you represent Bethlehem which has been a glowing symbol of peace and brotherhood throughout the world for the past two thousand years. May God bless you and your efforts on behalf of your people and peace and security for all in the region.

RONALD REAGAN

I wish to convey to you, Mr. President, from the little town of Bethlehem, our support for your plan to find a comprehensive solution to end the sufferings of the Palestinian people and to bring peace and security for all nations in the Middle East. Please be assured of our sincere desire for peace with freedom and for peace with a homeland. May God give you the strength and wisdom to fulfill our expectations.

ELIAS FREIJ
Mayor of Bethlehem

Note: As printed above, the letters follow the text of the White House press release, which was issued on September 5.

Message on the Observance of Labor Day

September 5, 1982

It gives me great pleasure to pay tribute to the working men and women of America on Labor Day. This occasion brings deserved attention to those who have toiled to build our nation and to shape a prosperous life out of the dreams of early immigrants. Today we recognize the honor and value of all work and the great distinction that flows from a job well done.

From those who first carved a nation out of the wilderness to those who helped cross, settle, and build this country, the working people have made immeasurable contributions to the advancement of our way of life. Through their spirit, minds, and muscles, America's workers have created a modern industrial giant. They have sustained the traditional values of family, work, and neighborhood while serving as the bulwark of American democracy and lending support to the fundamental tenets of our free enterprise system.

As champions of collective bargaining, our workers have furthered a process that has played a major role in America's economic miracle. The legal and proper use of

collective bargaining is of primary importance to the continuing development of our nation and the quest for human dignity.

We face many challenges to the future we all seek for this land—challenges this Administration has addressed through our efforts to revitalize the economy. Following the dictum of Thomas Jefferson not to "take from the mouth of labor the bread it has earned," we have reduced taxes and improved incentives for expansion that will rekindle economic growth. By working together we can successfully deal with the problems facing us and usher this nation into a new era of achievement and progress that will be a beacon to all the world.

RONALD REAGAN

Nomination of Wendy Hawley Borcherdt To Be a Deputy Under Secretary of Education

September 7, 1982

The President today announced his intention to nominate Wendy Hawley Borcherdt to be Deputy Under Secretary of Education for Intergovernmental and Interagency Affairs. She would succeed John H. Rodriguez.

Mrs. Borcherdt recently served as Special Assistant to the President for Public Liaison. Previously she was Associate Director of Presidential Personnel at the White House in 1981–1982; regional finance director, Reagan for President Committee, in Los Angeles, in 1979–1980; and founder, president, and owner, Training for Effective Management, a consulting firm in Los Angeles, in 1975–1981.

Mrs. Borcherdt has served as a member of the board of overseers of the Hoover Institution on War, Revolution and Peace, Stanford University, and was director of the Pacific Legal Foundation in Sacramento, Calif. She was vice chairman of the board, Independent Colleges of Southern California, and was director, Western United States, Canada, and Mexico, for the Association of Junior Leagues.

She graduated from Stanford University (A.B., 1958). She is married, has two children, and resides in Washington, D.C., and Los Angeles, Calif. She was born April 12, 1936, in Oakland, Calif.

Nomination of Alfred J. Fleischer, Sr., To Be a Member of the Board of Directors of the National Corporation for Housing Partnerships

September 7, 1982

The President today announced his intention to nominate Alfred J. Fleischer, Sr., to be a member of the Board of Directors of the National Corporation for Housing Partnerships for the term expiring October 27, 1982. He would succeed Kenneth Rothschild. The President also intends to nominate Mr. Fleischer for a term expiring October 27, 1985.

Mr. Fleischer is managing partner of Fleischer-Seeger Construction Co. and is director and manager of the Gemini Industrial Parks and manager of Regency Park, in St. Louis, Mo. He is past president of the Associated General Contractors of St. Louis. Mr. Fleischer is management-cochairman of PRIDE, a construction industrywide association, and is director of the Commerce-Manchester Bank in St. Louis, the Commerce-South Bank, Midwestern Joists, Inc., General Mortgage Co., and American Mutual Insurance Companies.

He is chairman of the Business and Industrial Development Commission of St. Louis County; a Missouri member of the Educa-

tion Commission of the States; a member of the United States Olympic Committee; and a member of the Board of Jewish Federations of St. Louis.

Mr. Fleischer has been awarded the Man-of-the-Year award from the St. Louis construction industry, and the Associated General Contractors of St. Louis awarded him a plaque for outstanding services in the construction industry in the community.

He is married, has three children, and resides in St. Louis, Mo. He was born October 14, 1915, in St. Louis.

Appointment of Richard V. Backley as a Member of the Federal Mine Safety and Health Review Commission

September 7, 1982

The President today granted a recess appointment to Richard V. Backley to be a member of the Federal Mine Safety and Health Review Commission. Mr. Backley was appointed to the Commission on August 31, 1978, for a term which expired on August 30, 1982. The President intends to nominate Mr. Backley to the Senate upon its return.

Before being appointed as a member of the Federal Mine Safety and Health Review Commission, Mr. Backley was an administrative law judge at the Civil Aeronautics Board from 1975 to 1978. In 1975 he served as administrative law judge, Bureau of Hearings and Appeals, Social Security Administration. From 1970 to 1975, Mr. Backley was a senior trial attorney and later Assistant Solicitor with the Division of Mine Safety and Health at the Department of the Interior. Prior to this, from 1967 to 1970, he was an attorney adviser in the Office of the Solicitor at the Department of the Interior. From 1960 to 1967, he was district attorney and chief prosecutor for the Trust Territories of the Pacific.

Mr. Backley earned his B.A. in 1951 and LL.B. in 1955 from DePaul University. He and his wife, Nathalie, have three children and reside in Fairfax, Va. He was born July 21, 1927.

Remarks on Presenting the Presidential Medal of Freedom to Ambassador Philip C. Habib

September 7, 1982

The President. It's a real pleasure for me—first, won't you be seated, please?—as my first official act back in Washington to pay tribute to a truly great American.

Ladies and gentlemen, we're here today to honor one of the most dedicated and outstanding individuals that has ever served the United States Government and the American people. Ambassador Philip Habib, our Special Emissary to the Middle East, is a sterling example of the highest standards of the Foreign Service. His career is the story of a lifetime committed to the service of his country and to the resolution of conflicts between nations. And the most recent chapter of that story tells of his efforts to free Lebanon from warfare and armed occupation.

Phil accepted this challenge without hesitation, despite the great personal sacrifices involved both for himself and, I might add, for a brave and patient wife, Mrs. Habib. She has just seen him today for the first time in almost 4 months.

By his skillful diplomacy and tireless activity, Phil has led the efforts of this Government to build a framework in which the leaders of Lebanon could once again pro-

tect the right of their people to security and freedom. What he accomplished was the vital first step which made it possible for launching a fresh start in the quest for peace, not only for Lebanon but for Israel and her other Arab neighbors as well.

Phil was not alone. When we honor him we honor all of you in government service—diplomats, soldiers, analysts, and secretaries—who've shown once again your commitment, loyalty, and skill. Phil might say that he and the rest of you were only doing your jobs. In fact, he has said that to me about what he's been doing for all these many months. I say that your efforts give vital support to the foreign policy of the United States, and our nation owes you all a debt of gratitude.

The Presidential Medal of Freedom is the highest civilian award that is given in the United States. What the Olympic Gold Medal is to athletes, what the Congressional Medal of Honor is to the military, the Presidential Medal of Freedom is to the private United States citizen. The names of those who have received this honor are stars in the American sky: Omar Bradley, Carl Sandburg, Helen Keller, Dr. Jonas Salk, Bryce Harlow, just to name several of them.

But I'm going to read the citation.

[*At this point, the President read the citation, the text of which follows:*]

As the President's Special Emissary, Ambassador Philip C. Habib came out of retirement in 1981 to serve his country in the pursuit of peace and justice in the Middle East. His successful negotiation of the cease-fire in Lebanon and the resolution of the West Beirut crisis stands out as one of the unique feats of diplomacy in modern times. Ambassador Habib's efforts conducted in the most difficult and trying of circumstances over a period of months, not only brought honor and respect to the United States but also won for him world-wide admiration. Of the greatest importance, Philip Habib's mission saved the City of Beirut and thousands of innocent lives and brought us one step closer to a peaceful resolution to the Arab-Israeli conflict.

Now, if you'll just hold that for a moment, we will put the emblem—since it's symbolic—can never tell, you know, because after what you've been through, I'm not sure that you could carry that out without—[*laughter*]——

But, Phil, I just want to say on behalf of all the people of America, thank you for, really, service above and beyond the call. And this goes for your wife, who, I know, sat here with the rest of us watching television sometimes when we wondered if we hadn't ought to be giving you combat pay. [*Laughter*] But thank you, and God bless you.

Ambassador Habib. Mr. President, Mrs. Reagan, ladies and gentlemen, my friends:

The President has been kind enough to allow me to say a few words after that very distinguished introduction that he gave me.

You honor me very greatly, Mr. President. It's a long way, as I once said, for a boy from Brooklyn via Idaho, out to California and then here. But I wouldn't let this occasion go by without, of course, saying that whatever we accomplished, as you know, was a team effort.

My right-hand man, Morris Draper, sitting right over here—I used to say half jokingly that Morris did all the work, and I got all the credit. I don't know whether he thought it was half jokingly or not. [*Laughter*]

But the team was a great one, and there was no one on the team that I and Morris appreciated more than you, Mr. President, for the very simple reason that you told us what to do, and then you gave us the leeway to do it. And George Shultz, Secretary Shultz, backed us completely in those very tense days of the last few weeks. And in the end, we succeeded in doing what you had asked us to do.

It's particularly fitting, considering that my mother and father came from Lebanon, that their son had something to do with bringing a bit of peace to that harried land. There still is a great deal to do. The situation remains extremely tenuous. Each morning I pick up the traffic and read it, wondering if something might go wrong so we have to start all over again. But, so far, we're on track.

I am a chronic optimist, Mr. President, and I'm convinced that it's going to stay on track. And it's going to stay on track partly because of the initiative you most recently took with respect to peace in the Middle East.

There is no more worthy cause. There is no more subject worthy of greater concern on the part of the United States than the cause of peace in the Middle East. Peace and justice for all the nations in the Middle East is what all of us have striven for for many years. And, under your leadership and that of Secretary Shultz, I would hope that it'll be with us very soon.

Other than that, just let me say again, thank you very much for this honor, and thank you on behalf of not only myself, my family, my only grandchild—who's been quiet all the while—[*laughter*]—but also on behalf of all my colleagues in the Foreign Service who've made me what I am today.

Note: The President spoke at 5:16 p.m. in the East Room at the White House.

Statement on Pending Action by the House of Representatives on a Fiscal Year 1982 Supplemental Appropriations Bill

September 8, 1982

Eleven days ago, I vetoed the supplemental appropriations bill sent to me by the Congress. Although the bill contained funding for certain Federal payrolls, the Caribbean Basin Initiative, and emergency relief for Lebanon, it was nearly $1 billion over budget for other domestic programs.

Earlier this session the Congress agreed to reduce projected deficits substantially over the next 3 years. The bill I vetoed was a supplemental bill to fund part of the Government for only 1 month—yet that 1 month was nearly $1 billion over budget on certain domestic items. The American people have a right to ask how their Government will honor its commitment to reduce deficits over 3 years if it is unwilling to hold the line for 1 more month.

It is not right that Government workers should be caught in the middle of all this. The Congress should not allow Federal workers to be innocent victims of irresponsible spending.

The Congress must shoulder its responsibility, sustain the veto, and return to me a spending bill within our budget if we are to continue bringing down inflation and lowering interest rates. Only through discipline can we spur economic growth and put our people back to work.

Tomorrow's vote in the House of Representatives on my veto will be another important signal to the American people of whether Washington has the will to discipline Government spending. I urge Members of the House to support this veto and thus support our economic recovery.

Letter to Selected Members of the Senate on an Antiabortion Amendment to a Federal Debt Ceiling Bill

September 8, 1982

A broad spectrum of concerned Americans are joining with me in calling upon the Senate to bring to an end its debate on Senator Helms' anti-abortion amendment to the debt ceiling bill. Senator Hatch, whose Constitutional Abortion Amendment I continue to support, has generously joined in the call for a vote on the amendment now before the Senate.

This amendment is a responsible statutory approach to one of the most sensitive problems our society faces—the taking of the life of an unborn child. Specifically, the Senate is debating an amendment which:

1. Affirms the humanity of the unborn child in our society;

2. Bans permanently Federal funding and support for the taking of the life of an unborn child except to save the life of the mother; and
3. Provides opportunity for the Supreme Court to reconsider its usurpation of the role of legislatures and State courts in this area.

I realize that this amendment reflects a moderate approach. My purpose is not to impede any other anti-abortion measures, including Senator Hatch's amendment, that may come before you. But this is the first clear-cut vote in this Congress on the humanity of the unborn, and it is crucial that a filibuster not prevent the representatives of our citizens from expressing their judgment on so vital a matter.

It is time to stand and be counted on this issue. I urge you to lend your support to Senator Baker's petition to invoke cloture on this measure.

Beyond the matter of cloture, it is vitally important for the Congress to affirm, as this amendment does, the fundamental principle that all human life has intrinsic value. We must never become a society in which an individual has the right to do away with inconvenient life. I ask that you keep these thoughts in mind when you vote your conscience on the amendment.

I hope that you will be able to join me on this issue. If not, please give me a call.

Sincerely,

RONALD REAGAN

Nomination of Four Members of the National Science Board

September 8, 1982

The President today announced his intention to nominate the following individuals to be members of the National Science Board, National Science Foundation, for terms expiring May 10, 1988:

Charles E. Hess is serving as dean of the College of Agricultural and Environmental Sciences and associate director of the California Agricultural Experiment Station at the University of California at Davis. He graduated from Rutgers University (B.S., 1953) and Cornell University (M.S., 1954; Ph. D., 1957). He is married, has four children, and resides in Davis, Calif. He was born December 20, 1931. He would succeed William F. Hueg, Jr.

John H. Moore is associate director and senior fellow at the Hoover Institution at Stanford University. He was professor of economics and associate director of the Law and Economics Center at Emory University. He graduated from the University of Michigan (B.S.E., 1958; M.B.A., 1959) and the University of Virginia (Ph. D., 1966). He is married, has two children, and resides in Palo Alto, Calif. He was born April 19, 1935. He would succeed Raymond L. Bisplinghoff.

Norman C. Rasmussen is professor of nuclear engineering at the Massachusetts Institute of Technology. He also serves as head of the department. He graduated from Gettysburg College (B.A., 1950; Sc. D., 1968) and the Massachusetts Institute of Technology (Ph. D., 1956). He is married, has two children, and resides in Sudbury, Mass. He was born November 12, 1927. He would succeed Alexander Rich.

Roland W. Schmitt is vice president for corporate research and development for the General Electric Co. in Schenectady, N.Y. He joined the General Electric Research Laboratory (now part of the Research and Development Center) in 1951. He graduated from the University of Texas (B.S., 1947; M.S., 1948) and Rice University (Ph. D., 1951). He is married, has four children, and resides in Scotia, N.Y. He was born July 24, 1923. He would succeed Lloyd Miller Cooke.

Appointment of Two Members of the National Advisory Council on Vocational Education
September 8, 1982

The President today announced his intention to appoint the following individuals to be members of the National Advisory Council on Vocational Education:

Nolan K. Bushnell would serve for the remainder of the term expiring January 17, 1983, succeeding Eli Ginzberg, and for a term expiring January 17, 1986 (reappointment). He has been serving as chairman of the board for Pizza Time Theatre, Inc., since 1979. He is also founder and chairman of the board of Atari, Inc. He was research engineer with the Ampex Corp. in 1969–1971. He graduated from the University of Utah (B.S., 1968). He is married, has four children, and resides in Woodside, Calif. He was born February 5, 1943.

Esther H. Levens would serve for the remainder of the term expiring January 17, 1983, succeeding Roy Rosario Escarcega, and for a term expiring January 17, 1986 (reappointment). She is a volunteer at the Joan Davis School for Handicapped Children. She has served on the National Advisory Council on Vocational Education and served on the National Advisory Council on Education of Handicapped Children in 1972–1974. She graduated from the University of Missouri at Kansas City (B.S., 1946). She is married, has two children, and resides in Prairie Village, Kans. She was born February 22, 1925.

Toasts of President Reagan and President Vigdis Finnbogadóttir of Iceland at a Luncheon Honoring the Icelandic President
September 8, 1982

President Reagan. Madam President, Your Royal Highnesses, and distinguished guests: It's indeed a pleasure for me to welcome you to the White House this afternoon and to play a part in the inauguration of Scandinavia Today, a program which underscores the contributions of Nordic culture and the ties between the United States and the five Scandinavian democracies. It is, certainly, a noteworthy occasion when we're able to host a chief of state, representatives of three royal houses, and the array of distinguished government leaders who are assembled here today.

Madam President, a special greeting for you. This is the first time a President of Iceland has visited our country. And it is also your first visit as well. I know you and your colleagues will see firsthand just how much your countrymen have contributed to the cultural, economic, and social development of this nation.

Charles Lindbergh, the great pioneer in aviation, once said that short-term survival may depend on the knowledge of physicists and the performance of their machines. But, and I quote, "Long-term survival depends, alone, on the character of Man." Today, we recognize together that Scandinavians were and continue to be a significant force in the shaping of our American character. Lindbergh himself, who represented the best qualities of America to so many, was the son of Scandinavian immigrants.

It's no mere coincidence that your five nations share with the people of this country strong democratic traditions. Madam President, your country, Iceland, boasts a history that includes a republican constitution and an assembly as far back as the year 930. Now, that's going back pretty far, even by my way of counting. [*Laughter*] And just as we've been home to many Scandinavian settlers over the years, your own nation of Iceland was settled by proud and independent Nordic people from the European continent.

Our peoples share traits that are the product of our common frontier heritage.

But something all of us in this room share is our love of liberty and our respect for the rights of individuals, values which place our nations on the front lines of freedom and democracy. Along with this freedom, Iceland and other Nordic countries experience cultural advances that will be highlighted by Scandinavia Today.

I know of your own love, Madam President, for literature and the theater. And as one who shares a somewhat similar background—I'm not going to tell you about "Bedtime for Bonzo"—[*laughter*]—and who was also elected President—I believe I can appreciate how deeply you feel about your country, its people, and its traditions.

In one of Europe's oldest collections of literature, "The Edda," there is a saga with a message that speaks clearly to us even after a thousand years. "Cattle die, kinsmen die," the ancient poem says, "the self dies. But a reputation will never die for him who gains a good one." Today, we celebrate the reputation of the Nordic culture. We're thankful to have you here to join with us in this celebration.

And now, ladies and gentlemen, would you please join me in a toast to President Vigdís [Finnbogadóttir] and to the traditional warm bonds that join America and all these other countries. Madam President.

President Finnbogadóttir. Mr. President, Mrs. Reagan, Your Royal Highnesses, dear friends:

First and foremost, Mr. President, let me thank you for your warm words for us Nordic nations.

It has long time been my conviction that the best gift we receive from society is the gift of literacy. The capacity to read is a richness beyond measure by our usual standards of wealth. Yet, too often it is taken for granted. This gift opened up for us new worlds. It is an incentive for our imagination. And through the gift of reading is given knowledge, knowledge about other peoples.

The people of America and the Nordic people share the fortune of being literate from an early age. Through reading, children can imagine what the world around them looks like. Thus, it is almost half a century since I began to imagine through books what the United States of America were like.

I became a friend with Huckleberry Finn long before knowing the sweet taste of huckleberries. And the stories of Edgar Allen Poe made my heart jump from secret and sheer excitement. And through the immigrant stories, I traveled over the wide plains accompanied by Nordic people. People had come from mountains and now had nowhere to hide, not even a rock or a bush. I have never been here before, yet some things look familiar to me through the depiction and the paintings of your great artists of the world.

To the best of my knowledge, most of the great literature works of America writers have been translated into our Nordic tongues, works that have inspired our own writers and widened our own horizons. Eugene O'Neill, Arthur Miller, just to name a few of the giants of the theatrical arts which we have in common, Mr. President, suddenly become kinsmen to us at the moment their words are translated into our own tongues.

Yes, we have known about you and your land for a long time. In fact, we have sources telling us of the new world almost a millennium ago. These sources tell us of dew sweet as anything, of places with no dearth of grapevine or grapes. No wonder the first western travelers to these shores called them "Vineland, the Good."

But the sweetness of the dew and the abundance of grapes are not the only things Nordic people have sought in the New World. Our scientists have come here for knowledge and know-how to this land of scientific ingenuity, a land known for its great achievements, in fact, achievements so unbelievable that none of my generation would have imagined them when I was growing up.

Mr. President, Mrs. Reagan, our nation is a nation of great spiritual and practical—I would say, your nation is a nation of great spiritual and practical achievements, not to mention its vastness and power. What then have we, the smaller nation, to say to the greater ones? Perhaps the individual belonging to a small nation is more conscious that he or she can contribute to the contemporary world. In a small nation, every

single creative mind is needed. Indeed, each skillful hand that can contribute to the achievements of a worthwhile common aim is welcome.

And yet, all would be in vain if not for the gift of literacy. The capacity to read and remember words of wisdom, the words of those who have been at the plow in the field before we arrived. Without reading words of those who came before us, we could hardly be the people we are today.

Coming generations will read about the adventures of Huckleberry Finn. They will read about immigrants and old explorers of new lands and they will read about us. What is the word we leave them to read? Perhaps the word is "dull." Perhaps the word is "delightful." Perhaps it is "good." Perhaps it is "bad." That is for posterity to judge. Anyhow, we all know that we are marvelously intelligent. [*Laughter*]

Whatever the judgment will be, we have given the future a great gift, the capacity to read about us. American or Nordic, I have this great ambition for us all: Let us give our descendants words to think about, deeds to remember, a culture to build upon. Let us give the future a picture of ourselves that can be reproduced at least as a fragment of an ideal.

Mr. President, Mrs. Reagan, please accept our heartfelt thanks for the hospitality you have shown to my country and all the other Nordic countries today in your renowned home. We know that the welfare of our nations is deeply linked as well as the welfare of other nations in the world. It is my sincere wish that our children and forthcoming generations will be able to read about how magnificent peacemakers we were, realistic as we are about the world situation today.

Let us all lift our glasses and drink to the health and happiness of the President of the United States of America, Mrs. Reagan, and the American people.

President Reagan. Thank you very much.

President Finnbogadóttir. If you would please sit down, I have a small gift from the Scandinavia.

Mr. President, on behalf of all the Nordic nations, I have the pleasure of presenting to you the emblem of the Scandinavia Today, inaugurated here in America.

President Reagan. I thank you very much. And maybe I should have incorporated this in my toast, but it gives me an opportunity now in thanking all of you to say that this morning—some of our days that we observe here people think are just automatic—but every year by proclamation they are reproclaimed. And I signed the proclamations today declaring Columbus Day and Leif Erikson Day.

Note: President Reagan spoke at 1:20 p.m. in the East Room at the White House.

Earlier, the two Presidents met in the Oval Office.

Proclamation 4960—Fire Prevention Week, 1982
September 8, 1982

By the President of the United States of America

A Proclamation

Last year seventy-five hundred Americans lost their lives in fires in homes, hotels, and other structures. In addition, the combined annual cost of property destruction and fire protection amounted to twenty-one billion dollars. This tragic loss of life and property which our Nation experiences each year due to the ravages of fire diminishes our precious resources and must be minimized.

Each year since 1920, we have observed Fire Prevention Week. My proclamation of last year stressed the value of smoke detectors and home escape plans. While smoke detector usage has increased substantially over last year, thirty-seven percent of the homes in the United States still do not have this lifesaving protection. Studies demonstrate, that, tragically, homes without smoke

detectors suffer a disproportionate number of reported fires and deaths. Moreover, many smoke detectors are not properly maintained.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do designate the week of October 3 through October 9, 1982, as Fire Prevention Week.

I urge citizens, industry, and State and local government to continue their successful efforts to safeguard lives and property from the dangers of fire by installing and maintaining smoke detectors along with proper and adequate escape plans.

I urge citizens, industry, and State and local government to take advantage of fast-response sprinklers to save lives and property in residences, hotels, motels, and nursing homes. The cost is small when compared with the human suffering and loss of property which can be prevented.

I urge State and local governments to conduct anti-arson campaigns directed at reducing our Nation's fastest growing crime.

I urge citizens to support and to practice fire safety at all times.

I commend individual fire chiefs and firefighters as well as the following organizations for their work to reduce fire losses: the International Association of Fire Chiefs, the International Association of Fire Fighters, the National Volunteer Fire Council, the National Fire Protection Association, the Fire Marshals Association of North America, the Joint Council of Fire Service Organizations, the National Safety Council, and others.

In Witness Whereof, I have hereunto set my hand this 8th. day of Sept., in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 10:52 a.m., September 9, 1982*]

Proclamation 4961—Leif Erikson Day, 1982
September 8, 1982

By the President of the United States of America

A Proclamation

Leif Erikson was the son of Greenland's first colonizer, and he continued the tradition of the Nordic seafarers. Charged by King Olaf I to spread religion among the Greenland settlers, he helped expand mankind's knowledge of previously uncharted territory. In carrying European culture to the new world, he enhanced that culture when his adventures gave rise to the great medieval sagas, some of the finest literature of their period.

Americans will have the rare privilege of seeing the original saga manuscripts this year as part of an extraordinary program of Nordic culture. With the opening of *Scandinavia Today* on September 8, our country will pay special tribute to the people and accomplishments of the Nordic countries, and the legacy of Leif Erikson will be shared by our countrymen in exhibits and programs throughout the United States.

As a mark of respect to the courage of Leif Erikson and his Norse followers, the Congress of the United States, by joint resolution approved September 2, 1964 (78 Stat. 849, 36 U.S.C. 169c) authorized the President to proclaim October 9 in each year as Leif Erikson Day.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate Saturday, October 9, 1982, as Leif Erikson Day and I direct the appropriate Government officials to display the flag of the United States on all Government buildings that day.

I also invite the people of the United

States to honor the memory of Leif Erikson on that day by holding appropriate exercises and ceremonies in suitable places throughout the land.

In Witness Whereof, I have hereunto set my hand this 8th. day of Sept., in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 10:53 a.m., September 9, 1982*]

Proclamation 4962—Columbus Day, 1982
September 8, 1982

By the President of the United States of America

A Proclamation

Nearly five centuries ago, an Italian navigator in the service of Spain opened the way to the founding of these United States. In this historic feat, Christopher Columbus embodied for us the qualities which we Americans hold dear and which are representative of us as a people: daring, determination, vision, and the courage to pursue a dream.

Although Columbus undertook his epic voyage long ago, his adventurous spirit continues to inspire us. As we reflect on the elements which made this journey one of the finest moments in history, it is fitting that we rededicate ourselves to our search for new horizons, ever mindful of Christopher Columbus and those brave seafarers on the *Nina,* the *Pinta,* and the *Santa Maria.*

In tribute to the achievement of Columbus, the Congress of the United States, by joint resolution approved April 30, 1934 (48 Stat. 657), as modified by the Act of June 28, 1968 (82 Stat. 250), asked the President to proclaim the second Monday in October of each year as Columbus Day.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate Monday, October 11, 1982, as Columbus Day; and I invite the people of this Nation to observe that day in schools, churches and other suitable places with appropriate ceremonies in honor of the great explorer.

I also direct that the flag of the United States be displayed on all public buildings on the appointed day in memory of Christopher Columbus.

In Witness Whereof, I have hereunto set my hand this 8th day of Sept. in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 11:02 a.m., September 9, 1982*]

Proclamation 4963—White Cane Safety Day, 1982
September 8, 1982

By the President of the United States of America

A Proclamation

The white cane symbolizes safety and independence to many thousands of blind and other severely visually handicapped individuals.

It enables them to engage in normal activities of daily living as well as to manage businesses or perform tasks involved in em-

ployment with confidence and efficiency.

The white cane serves notice to the nation's drivers to be cautious and to the pedestrians to be courteous and considerate of the special needs of the severely visually handicapped. It may also in a special way be considered an extension of their bodily functions, providing courage, strength, confidence, hope and independence as well as mobility.

To make all Americans more fully aware of the special significance of the white cane and the need for extra care and courtesy when approaching its user, the Congress, by a joint resolution approved October 6, 1964, has authorized the President to proclaim October 15 each year as White Cane Safety Day.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim October 15, 1982, as White Cane Safety Day.

I ask all Americans to mark this day with concern and respect for the special needs of the severely visually handicapped and, especially, to note the white cane, in order that our busy streets will be safer for all.

In Witness Whereof, I have hereunto set my hand this 8th day of Sept. in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 11:03 a.m., September 9, 1982*]

Executive Order 12381—Delegation of Emergency Management Functions

September 8, 1982

By the authority vested in me as President by the Constitution and laws of the United States of America, including the Federal Civil Defense Act of 1950, as amended (50 U.S.C. App. 2251 *et seq.*), the Earthquake Hazards Reduction Act of 1977, as amended (42 U.S.C. 7701 *et seq.*), and the Disaster Relief Act of 1974, as amended (42 U.S.C. 5121 *et seq.*), and in order to conform delegations of authority to recent legislative changes, it is hereby ordered as follows:

Section 1. Section 4–203 of Executive Order No. 12148 is amended to read as follows:

"The functions vested in the President by the Disaster Relief Act of 1974, as amended (42 U.S.C. 5121 *et seq.*), except those functions vested in the President by Sections 301 (relating to the declaration of emergencies and major disasters), 401 (relating to the repair, reconstruction, restoration, or replacement of Federal facilities), and 409 (relating to food coupons and surplus commodities), are delegated to the Director of the Federal Emergency Management Agency.".

Sec. 2. Section 4–204 of Executive Order No. 12148 is amended to read as follows:

"The functions vested in the President by the Earthquake Hazards Reduction Act of 1977, as amended (42 U.S.C. 7701 *et seq.*), are delegated to the Director of the Federal Emergency Management Agency.".

Sec. 3. A new Section 4–207 is added to Executive Order No. 12148 as follows:

"Sec. 4–207. The functions vested in the President by Section 502 of the Federal Civil Defense Act of 1950, as amended (50 U.S.C. App. 2302), are delegated to the Director of the Federal Emergency Management Agency.".

Sec. 4. Section 5–202(b) of Executive Order No. 12148 is amended by deleting "Section 610" and substituting therefor "Sections 305, 501, and 610".

Sec. 5. In accord with the termination of certain river basin commissions by Section 5 of Executive Order No. 12319, Section 5–

213 of Executive Order No. 12148 is revoked.

[*Filed with the Office of the Federal Register, 11:04 a.m., September 9, 1982*]

RONALD REAGAN

The White House,
September 8, 1982.

Letter to the Speaker of the House and the President of the Senate on the Provision of Credit Facilities to the Bank of Mexico
September 8, 1982

Dear Mr. Speaker: (Dear Mr. President:)

In accordance with the provisions of Section 10 of the Gold Reserve Act of 1934, as amended (31 U.S.C. 822a), I determined on August 24, 1982, that the United States, through the Exchange Stabilization Fund of the Department of the Treasury ("ESF"), should stand ready to provide to the Bank of Mexico ("Bank") credit with a possible maturity of longer than six months but not to exceed one year.

According to the terms of the proposed agreement with the Bank, the ESF will provide credit facilities to the Bank in an amount of $600 million for a term of three months, with a possibility of three three-month renewals, to expire no later than August 23, 1983. The Bank's obligations under the agreement will be unconditionally guaranteed by the Government of Mexico.

The ESF agreement is part of the multilateral effort involving other major countries, acting through the Bank for International Settlements ("BIS"), the ESF and the Federal Reserve System to provide short-term facilities amounting to $1.85 billion to the Bank. Under the agreement between the Bank and the BIS, the ESF and the Federal Reserve System will share with the BIS in the proceeds of drawings by Mexico from the International Monetary Fund (IMF) and in certain other arrangements to assure repayment of this multilateral financing. The Mexican Government has undertaken to arrange a major program of economic adjustment in cooperation with the IMF, which will serve as the basis for IMF balance of payments financing for Mexico during the next three years. The multilateral arrangement, of which the ESF agreement is an integral part, is designed to provide immediate support for Mexico's external position while the IMF arrangement is being negotiated and other sources of financing are being arranged by Mexico.

Mexico at present faces extreme balance of payments problems of a magnitude and character which, if not addressed through the measures outlined above, could lead to substantial disruption of international money, financial, and exchange markets. The provision of financing by the ESF is a key component of a multilateral effort, centered on an economic adjustment program to be agreed between the IMF and Mexico, to strengthen Mexico's economic and financial position. Because of Mexico's extreme financial difficulties and the time that may be required before Mexico's economic adjustment measures begin to take effect, it may take more than six months before Mexico is able fully to repay credit advanced by the ESF. The mobilization of resources by other participants in this multilateral financing arrangement effort also recognizes this possibility.

I have therefore determined that these facts present unique and exigent circumstances and that the ESF must be prepared to extend credit to Mexico for a term greater than six months but not to exceed one year.

Sincerely,

RONALD REAGAN

Note: This is the text of identical letters addressed to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and George Bush, President of the Senate.

Statement on Signing a Bill Authorizing United States Participation in the 1984 Louisiana World Exposition

September 8, 1982

It gives me great pleasure to sign into law H.R. 6409, a bill authorizing Federal participation in the 1984 Louisiana World Exposition in New Orleans.

The United States Pavilion will explore the Exposition theme, "Fresh Water as a Source of Life," spotlighting in all its aspects the crucial link between fresh water and life on Earth, and calling attention to the need to conserve and protect our fresh water resources from the hazards of increasing demands, diminishing supplies, pollution, and ecological disruption.

Louisiana, with its unique mix of cultures and its world-renowned hospitality, is particularly well-suited to host an international event of this kind. It is a State rich in history, scenic beauty, and visitor appeal. Moreover, the "river" theme is ideal, reflecting the close relationship of the Mississippi and the countless bayous, lakes, and marshes to the social, economic, and artistic lives of its people. Louisiana ports are a vital link between the rich industrial heartland of America and the nations of the world.

The city and State also know how to stage a major celebration. The Mardi Gras, the New Orleans Jazz Heritage Festival, and the Sugar Bowl all involve tremendous logistical effort. Year after year, these events go on safely and successfully, reflecting the experience and cooperation of State and local government. I am confident that New Orleans, and the State of Louisiana under the leadership of Governor David Treen, will rise to the occasion once again in 1984.

Note: As enacted, H.R. 6409 is Public Law 97-254, approved September 8.

Appointment of Two Members of the Advisory Council on Historic Preservation, and Designation of Vice Chairman

September 8, 1982

The President today announced his intention to appoint the following individuals to be members of the Advisory Council on Historic Preservation for terms expiring June 10, 1986:

Robert O. Johns, D.P.M., will be designated Vice Chairman. He has been serving as executive director of the California Podiatry Association since 1966. He resides in San Francisco, Calif., and was born May 30, 1920. He would succeed Armand S. Deutsch.

Thomas B. Muths is an architect in Jackson, Wyo. He is a member of the Society of Architectural Historians and the Association for Preservation Technology. He is married, has one child, and resides in Jackson. He was born October 11, 1931. This is a reappointment.

Appointment of Joyce C. Young as a Member of the Committee for Purchase from the Blind and Other Severely Handicapped

September 8, 1982

The President today announced his intention to appoint Joyce C. Young to be a member of the Committee for Purchase from the Blind and Other Severely Handicapped for a term expiring October 4, 1986. This is a reappointment.

She is currently serving as public affairs manager for Metropolitan Life Insurance Co. in Dayton, Ohio. She was associate director of development at Wright State University. She also served as executive director of Wright State University School of Medicine Foundation. She is serving as chairman of the Ohio Commission for Children and is a member of the board and of the executive committee of the United Way.

She graduated from Wright State University (B.A., 1975). She is married, has four children, and resides in Dayton, Ohio. She was born September 27, 1934.

Remarks to Reporters on Lebanon and the Middle East
September 8, 1982

The President. Good afternoon, ladies and gentlemen.

I asked Phil Habib to come by today in order to discuss the next phase of the U.S. diplomacy in Lebanon and the prospects for our Middle East initiative. I want to begin by reaffirming our principal objectives in Lebanon: first, the removal of all foreign military forces from Lebanon; second, the strengthening of the central government and the establishment of its authority throughout the country; third, Lebanon must not again become a launching pad for attacks into Israel. Indeed, the security of all the states in the area can only be guaranteed through freely negotiated peace treaties between Israel and its neighbors. And, finally, I call on all the parties in Lebanon to maintain the cease-fire so that diplomacy can succeed.

In the course of his briefing, Phil told me that a peaceful resolution of the Beirut crisis would not have been possible without a multinational force that included United States' forces. With the evacuation complete and the authorities asserting their control throughout Beirut, I am pleased to announce that the multinational force will commence its withdrawal from Beirut, Friday, September 10th, day after tomorrow. And the United States Marine contingent should be among the first to leave. We're therefore keeping our commitment to have them out within 30 days.

I'll remain fully and personally engaged in support of the next phase of our diplomacy in Lebanon. I also am announcing the formation of an interagency steering group on Lebanon. This group, under the chairmanship of the Deputy Secretary of State, will coordinate the political, economic, and security assistance dimensions of our policy. Peter McPherson, Director of AID, will assume responsibility for reconstruction efforts in addition to his role as my personal representative for relief in Lebanon. And Morris Draper, Phil's right hand in Lebanon, has been accorded the personal rank of Ambassador, and he will manage the political working group and shortly return to Lebanon to continue his work. And I want to express my appreciation to him for what he has done and what he is going to continue doing.

And once again, I want to extend my heartfelt congratulations to Phil Habib for his superhuman efforts throughout the past year and a half. Phil's successful diplomacy is one reason why we're now able to inject a fresh start into the peace process.

Phil would like to make some remarks, I know, and I know many of you would like to ask him questions. So I'm going to leave Phil and Morris to you, and I have a date back in the office that I must now keep and return to work. So, thank you for being here. And, Phil, again, thank you. God bless you.

Ambassador Habib. Thank you for everything, Mr. President.

Ambassador Draper. Thank you very much, Mr. President.

The President. Morris, thank you.

Q. Mr. President, before you go, can you just tell us what you think about Prime Minister Begin saying to the Knesset today

that the West Bank would be a Jewish homeland forever?

The President. I think that I'll let these gentlemen handle the questions and take a question from that. My own personal reaction is that because I stressed negotiations as the settlement to many of these troublesome issues there, I think that we have to understand sometimes that maybe positions are being staked out with those negotiations in mind.

Q. But do you think Israel will change, sir? Do you think this initial reaction can be modified in the future?

The President. That's up to the negotiators.

[*At this point, the President returned to the Oval Office.*]

Q. He's gone now. Tell us everything. [*Laughter*]

Ambassador Habib. No, it's—first of all, it's kind of nice to be able to talk to you fellows without having to just wave as I go by.

But I'm particularly gratified that the President is continuing his personal interest in the Lebanese situation. It's going to require continued high-level attention in our government as we pursue the objectives that the President has laid down for us. And in that regard he and Secretary Shultz have given Morris and myself our instructions. Morris has his marching orders. He'll be taking off very shortly. And then later in the month, I'll go out for the inauguration of the new President and spend a few days with him.

But basically, we're going to be trying to build upon the initial—I wouldn't call them successes as much as I would call them the initial progress that's been made in the Lebanese situation. There is a fair, good chance that we can see a sovereign, integral, free, pluralistic Lebanon, once again sovereign within its own territories. And that's what we're basically going to be working for.

With that, we'll take any questions that we think we can answer.

Note: The President spoke at 3:28 p.m. on the South Grounds of the White House following his meeting in the Oval Office with Secretary of State George P. Shultz and Ambassadors Philip C. Habib, the President's personal emissary in consultations in the Middle East, and Morris Draper.

The White House press release of the President's remarks included the transcript of the question-and-answer session between the Ambassadors and reporters.

Remarks to the American Lobby for the Balanced Budget Amendment

September 8, 1982

I know we here today, and a majority of the American people agree on one point: We're not saying we have a terrible problem and Government must find a solution. We're saying Government is the problem and the people have the solution—a constitutional amendment making balanced budgets the law of this land.

We in the administration have been working hard to keep pressure on the Congress to get this initiative passed. Back on July 12, I held a bipartisan meeting with key congressional leaders and urged their support. Then, on July 19, we joined our fellow Americans for a big rally on the steps of the Capitol.

I'll never forget that afternoon because it had to be one of the hottest days of the summer. I think some of the Members of Congress felt the heat, too. Shortly after the rally, the Senate did its job and passed the amendment.

Unfortunately, as you know, the amendment has been bottled up inside the House Judiciary Committee. I have personally written every Member of the House, asking their support for the Conable discharge petition. We need 218 signatures, and we

have now surpassed 200.

This afternoon I have just met with a bipartisan group of Congressmen who are co-sponsors of the amendment, but who have not yet signed the discharge petition. I'd like to think some of them now will.

I want you to know that I consider passage of this amendment, both in the Congress and in the States, to be a top priority for America. I intend to do everything in my power to bring that about.

It is absolutely essential that the House leadership allow a vote on this issue. We're counting on the American Lobby and other grassroots organizations to help us mobilize the country before the November elections, so we can make the Congress heed the will of the people and get the budget monster under control once and for all.

Now I know it's fashionable to say that the amendment isn't relevant now, because it won't take effect until the second fiscal year after its ratification. Well, that's nonsense. Ratification will produce an immediate impact. From that moment on, the watchword to Washington will be: Start shaping up, or you may be shipping out.

With your help, we can make this amendment the economic lifeline to millions of American families who still believe in the American dream. Thank you again for your invaluable support. We know this is not a partisan issue. It is the people's crusade. With your help, we will make Washington understand that we intend to do whatever it takes to make our Government, once again, the faithful servant of the American people.

Note: The President attended a reception of the American Lobby at the Madison Hotel and addressed the group at approximately 6 p.m.

As printed above, this item follows the text of the President's prepared remarks as released by the Office of the Press Secretary.

Nomination of Rita M. Rodriguez To Be a Member of the Board of Directors of the Export-Import Bank of the United States

September 9, 1982

The President today announced his intention to nominate Rita M. Rodriguez to be a member of the Board of Directors of the Export-Import Bank. She would succeed Donald Eugene Stingel.

Since 1978 Dr. Rodriguez has been serving as professor at the University of Illinois at Chicago Circle. She was associate professor of business administration at Harvard Business School in 1969–1978. She was a lecturer in economics at New York University, Graduate School of Business, in 1968–1969.

She graduated from the University of Puerto Rico (B.B.A., 1964) and New York University (M.B.A., 1968; Ph. D., 1969). She is married and resides in Oak Park, Ill. She was born September 6, 1942.

Message on the Observance of Grandparents Day

September 9, 1982

For generations, grandparents have strengthened the fabric of the family, preserving and enriching our national heritage. It is fitting that we pay special recognition to our nation's 20 million or more grandparents, and Congress has designated the first Sunday after Labor Day as National Grandparents Day.

Research has shown what many of us know from personal experience—that the

emotional attachment between grandparent and grandchild is a special legacy handed down from one generation to the next. Grandparents often fill roles as surrogate parents, care-givers, tutors, decision-makers, confidants, counselors, story-tellers, and family historians. They also help by sharing their wisdom, knowledge, and experience. In turn, the love and care that grandparents give enhances their own sense of usefulness.

With Americans living longer than ever before, three- and four-generation families have become increasingly common. An estimated one-third of all persons who have grandchildren have at least one great-grandchild. Of prime importance is the building of bridges between younger and older Americans, a lifelong process involving such institutions as our schools, colleges, churches, synagogues, and, most important, the family.

Henry Ward Beecher once wrote, "There are only two lasting bequests we can hope to give our children. One of these is roots . . . the other, wings." Grandparents give us both bequests and help instill in future generations the values which make America great.

I urge all Americans to take the time to honor our nation's grandparents on National Grandparents Day, Sunday, September 12. In so doing, we will celebrate a union of the generations, in a very real sense, a triumph of life.

RONALD REAGAN

Statement on Signing a Bill Concerning the Cumberland Island Wilderness Area and Crater Lake National Park

September 9, 1982

I have today signed into law S. 1119, a bill that would designate a new Cumberland Island Wilderness Area in Georgia and make a boundary line adjustment in Crater Lake National Park in Oregon.

This bill designates the first new wilderness area to which I have had the pleasure of granting statutory protection. Cumberland Island is the largest and southernmost of Georgia's offshore barrier islands. It was designated as a national seashore to protect its outstanding natural, historical, cultural, and recreational values, and to provide a continuing source of outdoor recreation for the American public.

The bill will add a further degree of protection to these values by designating the area as wilderness. Both this administration and the general public have supported this designation in order to preserve these essentially wild lands in their natural state. This is particularly important in our Eastern States, where few areas remain that are "affected primarily by the forces of nature."

The bill designates certain lands on Cumberland Island as wilderness and sets aside certain other lands as "proposed wilderness," to be designated at a future date, when nonconforming uses of them have ceased. Within the area being designated as wilderness are an underground power line, several maintained access roads, and a number of residences and other structures. Within the area identified as proposed wilderness are several estate access roads and two parcels which contain structures of possible historic significance. Because of these intrusions, neither of these areas is wilderness within the meaning of the 1964 Wilderness Act, and their inclusion in this legislation should not in any way be deemed as an implied amendment to the Wilderness Act.

Including areas into the National Wilderness Preservation System which do not meet the suitability criteria of the Wilderness Act System will necessarily create conflicts in management of the area. Such is the case with Cumberland Island. Management of Cumberland Island is further complicated due to the ambiguity created by the language of the bill itself and legislative history which accompanies it. The bill states that the island is to be managed in accord-

ance with the Wilderness Act subject, however, to valid existing rights. The House and Senate reports attempt to catalog such rights by listing the various manmade intrusions in the area and at the same time set forth how the area will be managed with these intrusions. In light of the conflict between the requirements to manage the island in accordance with the Wilderness Act and to protect valid existing rights, I am directing the Department of the Interior to manage Cumberland Island in a manner similar to wilderness, to the maximum extent practicable consistent with the other uses for the area set forth in the legislative history.

Additional concerns have been raised relative to the impact of the wilderness designation on the Navy's proposed development of the nearby Military Ocean Terminal at King's Bay, Georgia. Development of this facility may require continued enforcement of restrictive easements over lands that are now to be designated wilderness. Additionally, I note that some have suggested a need to reduce flights of aircraft over the island. These are also valid existing rights that are to be protected. Designating Cumberland Island as wilderness must not be allowed to interfere with military operations over the island. I do not view wilderness designation as incompatible with any of these rights. Accordingly, I am asking the Secretaries of Defense and the Interior to enter into a memorandum of understanding, to provide for the continued exercise of these rights.

Similarly, there are concerns about the continued use of a portion of the island not proposed for wilderness designation as a site for the disposal of dredged material by the Army Corps of Engineers. Development of King's Bay by the Navy may necessitate additional dredging in the area, as well as a potential diversion of the Atlantic Intracoastal Waterway around several of the smaller islands that comprise a portion of the Cumberland Island National Seashore, conducted in accordance with the usual environmental permits. These activities would also involve valid existing rights, protected under this legislation, and would not be incompatible with wilderness designation.

Finally on Cumberland Island, I would like to state that, although there have been some areas included in the National Wilderness Preservation System previously which did not meet the statutory definition of wilderness, I am reluctant to support this practice in the future. Wilderness legislation should designate only those areas which are truly pristine, in order to prevent the type of management conflicts in wilderness areas as are evident with Cumberland Island. Nevertheless, Cumberland Island is an important resource which should be given the added protection management that the Wilderness Act provides.

The other provisions contained in S. 1119 revise the boundary of Crater Lake National Park to exclude certain land which was erroneously included within the park boundary by an earlier Act of Congress, despite the fact that the land was subject to a prior-existing timber sale contract. In so doing, the legislation will eliminate this potential conflict and protect the scenic and recreational values which have made this unique and world-renowned park such a popular tourist attraction.

Note: As enacted, S. 1119 is Public Law 97–250, approved September 9.

Remarks at Kansas State University at the Alfred M. Landon Lecture Series on Public Issues

September 9, 1982

President Acker, Governor Carlin, Governor Landon, Senators Dole and Kassebaum, members of the board of regents, faculty, the students, and distinguished guests:

It's a special pleasure to be with you today, wonderful to be back home on the

range. You know, sometimes living in that big white house in Washington can leave you feeling a little fenced in and isolated. But there is a tonic: visit a State where tall wheat and prairie grass reach toward a wide open sky; be with people who are keeping our frontier spirit alive, people who work the soil but who still have time to dream beyond the farthest stars. Here in the heartland of America lives the hope of the world, and here words like "entrepreneur," "self-reliance," "personal initiative," and, yes, "generosity" describe everyday facts of life.

Right now another fact of life in this heartland is the enormous burden carried by those who produce the food and fiber essential to life itself. And I want with all my heart to see that burden lifted, to see America's farmers receive the reward they deserve. I agree with your native son, Dwight Eisenhower, who said that without a prosperous agriculture there is no prosperity in America.

I feel doubly honored to be with you here in this particular place. Kansas State University epitomizes the leadership that Abraham Lincoln wanted when he established our first land-grant colleges. Schools like Kansas State serve as an entrance to the world, not an escape from it. And you deserve great credit for the rigorous academic program you offer your students and the research efforts you are making to benefit humanity.

Today is, as has been said, also a homecoming of sorts for me. It was 15 years ago I participated in this Landon Lecture Series for the first time, so I can see and am aware of the remarkable growth of the university. And as an ex-sports announcer, I've also been following the Wildcats' victories in basketball. Now, it just happens that football was my game, and I know that there have been some trials and, shall I say, some misfortunes in football. You've tasted the agony of defeat. And I know that taste. And by coincidence, when I knew that taste, I was wearing a purple jersey at the time. But I happen to be a believer in "purple power," so go out there and turn it around. Your State motto says, *Ad astra per aspera*—to the stars through difficulties.

My other honor today is joining you in paying tribute to an outstanding American—a wise, effective, and revered leader, and a personal friend. And you know, in all my years in Hollywood, I was never a song and dance man; that's how I wound up an after-dinner speaker. [*Laughter*] But I just wonder if we couldn't all sing "Happy Birthday" to the best darn horseback rider in the State of Kansas—Governor Alf Landon.

[*At this point, the President led the audience in singing "Happy Birthday" to Governor Alf Landon.*]

You know, I was all set to ask the Governor if he'd like to go riding today, and then suddenly I remembered about the Landon legend. He doesn't just ride the horses; he has broken the horses that he rides. And I think I'll save my strength for the Congress. [*Laughter*]

Governor, if you'd invite me back here to speak 5 years from now and if I should happen to be still living in the White House, you could join me on Air Force One, and we'd light the candles on your 100th birthday cake in Washington so all of America could join in the celebration.

You know, I'd be remiss if I didn't say that one of the nicest things that Alf Landon ever did for his country was to give us someone as talented and charming as his daughter Nancy, the first woman to be elected Senator from Kansas. And, you know—Nancy—that's a nice name. I like the name Nancy. [*Laughter*]

But today I want to talk about our challenge to take freedom's next step and lift mankind another rung on the ladder of human progress. And if you detected a note of optimism in those words, you read me right.

I do not dismiss the dangers of big deficits, nuclear conflict, or international terrorism. Each could destroy us if we fail to deal with them decisively. But we can and will prevail if we have the faith and the courage to believe in ourselves and in our ability to perform great deeds, as we have throughout our history.

Let's reject the nonsense that America is doomed to decline, the world sliding toward disaster no matter what we do. Like

death and taxes, the doomcriers will always be with us. And they'll always be wrong about America.

Let me, if I could, just jog your memories for a moment. It was just a short time ago when those doomcriers were telling us that food and fuel supplies were running out. It was only a question of time before famine and misery would engulf America and the world. Price increases in America, they predicted, would zoom up at double-digit rates for the rest of this decade. The price of crude oil would race to $100 a barrel. Interest rates would break all the old records and soar to 25 or 30 percent or even higher. Runaway inflation and interest rates would break the back of the free enterprise system, destroy the value of our currency, the savings of our people, and the ability of our country to project power, promote freedom, and defend peace.

But already Americans are proving every one of those predictions wrong. So many so-called experts lack faith in the American people. They just don't seem to understand there is no limit to what a proud, free people can achieve. We see it here, where the first plow turned the prairie sod and the prairie became a fertile wonder of the world. I'm told that in 1820 a farmworker produced enough food products for himself and three other people; today he feeds 77.

We're not running out of food and fuel, because we haven't run out of ideas. We're going to feed the world. We're developing new energy resources. Last year we discovered more crude oil than any time in the last 12 years. We've declared war on high interest rates and inflation, and we're winning that war. The American dollar is no longer a condemned currency; it's sought again as a rock of strength and stability. In the last 2 years, it has risen about 25 percent against other major currencies. And yet, I can remember just a short time ago a friend returning from a trip abroad very depressed. He told me what a blow it was and how he felt, because at that time he was in places abroad where they refused to accept American money; they had lost such confidence in it.

Across the world, Americans are bringing light where there was darkness, heat where there was once only cold, and medicines where there was sickness and disease, food where there was hunger, wealth where humanity was living in squalor, and peace where there was only death and bloodshed.

So many delight in downgrading everything American when there is so much in our land to be proud of. We don't occupy any countries. We build no walls to keep our people in. But we provide more food assistance around the globe than all the other nations combined. And no other nation works harder—or, I might add, more effectively—than the United States to end bloodshed and suffering and bring about lasting peace in troubled areas like the Middle East.

Yes, we face awesome problems. But we can be proud of the red, white, and blue, and believe in her mission. In a world wracked by hatred, economic crisis, and political tension, America remains mankind's best hope. The eyes of mankind are on us, counting on us to protect the peace, promote new prosperity, and provide for them a better world. And all this we can do if we remember the great gifts of our Revolution: that we are one Nation under God, believing in liberty and justice for all.

One of America's most valiant, decorated soldiers, Omar Bradley, once said of freedom—he said, "No word was ever spoken that has held out greater hope, demanded greater sacrifice, needed more to be nurtured, blessed more than the giver, damned more its destroyer, or come closer to being God's will on Earth. May America ever be its protector."

Well, let this be our banner. But to be freedom's protector, to be a force for good, we must, above all, be strong. And to be strong, we must offer leadership at all levels of government, in our communities, in our families. We must mobilize every asset we have—spiritual, moral, educational, economic, and military—in a crusade for national renewal.

We must restore to their place of honor the bedrock values handed down by families to serve as society's compass. Our time-tested values have never failed us when we've had the courage to live up to them. Speaking here 15 years ago, I was asked, following the speech, a question from the

audience, if our young people of that day were not turning away from our traditional values. And I replied that maybe those young people just didn't think *we* were living up to them. There was a roar of approval from the students present that indicated agreement. They hadn't abandoned those values; they just didn't think that our older generation cared any more. So, it's up to us to make sure they realize we do.

Today I wonder sometimes if we're infecting another generation with negativism. When the tough but necessary decisions to cut back on spending are made, they're described so often in negative terms—how much less government will spend, how many fewer benefits will be given away, how many fewer programs will survive. But cutting back on the runaway growth of government can be a profoundly positive step, like performing necessary surgery on a patient to save his life.

This Federal Government of ours, by trying to do too much, has undercut the ability of individual people, of communities, churches, and businesses to meet the real needs of society as Americans always have met them in the past.

The time has come to rethink some of the tired old political labels that have blinded our thinking for too long. You know, we Americans have the technological genius to send astronauts to the Moon and bring them safely home, but we're having trouble making it safe for a citizen to take a walk in the evening through the park. And sometimes in the world of politics, it seems that our dialog hasn't gone much beyond "Me Tarzan, you Jane." [*Laughter*]

For nearly 50 years, those who have taken unto themselves the label "liberal" have argued that government has a duty to help people solve their problems—which it does. Conservatives, on the other hand, have argued that such help can be a threat to individual freedom—which it can. Both sides seem to agree that the two main categories of American society are government and the individual—and never the twain shall meet.

But from our earliest days, there have been other crucial dimensions of our society that transcend these narrow labels. Look around you: There's so much more to America than government on the one hand and individuals with nowhere to turn for help but to government on the other. Between the government and the individual, there are a great number of natural, voluntary organizations which people form for themselves—like the family, the church, the neighborhood, and the workplace, where people learn, grow, help, and prosper. And even individual citizens and institutions like the thing that I have just read—the announcement of the largest Federal savings and loan here in Kansas which has reduced the interest rates for home mortgages down to where, once again, maybe something can happen in the homebuilding industry and people can again live that American dream of owning their own home.

The ultimate and overwhelming positive goal of my administration is to put limits on the power of government, yes, but to do it so that we liberate the powers and the real source of our national genius which will make us great again.

I said that we were a nation under God. I've always believed that this blessed land was set apart in a special way, that some divine plan placed this great continent here between the oceans to be found by people from every corner of the Earth who had a special love for freedom and the courage to uproot themselves, leave homeland and friends to come to a strange land, and where, coming here, they have created something new in all the history of mankind—a land where man is not beholden to government; government is beholden to man.

Government exists to ensure that liberty does not become license to prey on each other. We haven't been perfect in living up to that ideal, but we've come a long way since those first settlers reached these shores, asking nothing more than the freedom to worship God. They asked that He would work His will in our daily lives, so America would be a land of fairness, morality, justice, and compassion.

There was a conviction that standards of right and wrong do exist and must be lived up to. The institutions of family, community, and school would play critical roles in the shaping of character, the acquisition of

knowledge, and the search for truth. We passed thousands and thousands of laws in our two centuries as a nation—millions, maybe—and yet if we simply adhere to the Ten Commandments that Moses brought down from the mountains—and he didn't just bring down 10 suggestions—and the admonition of the Man from Galilee to do unto others as you would have them do unto you, we could solve an awful lot of problems with a lot less government.

Our first President, George Washington, Father of our Country, shaper of the Constitution, and truly a wise man, believed that religion, morality, and brotherhood were the essential pillars of society, and he said you couldn't have morality without the basis of religion. And yet today we're told that to protect the first amendment we must expel God, the very source of our knowledge, from our children's classrooms. One court has recently ruled that in one place in our land children cannot say grace on their own in the school cafeteria before they eat. Now this was done as being in accord with the Constitution. But was the first amendment written to protect the American people from religion, or was it written to protect religion from government tyranny? No one will ever convince me that a moment of voluntary prayer can harm a child or threaten a school or a state. From the beginning of this administration, I've made it clear that I believe America's children have the right to begin their day the same way the Members of the United States Congress do—with prayer.

The time has come for this Congress to give a majority of American families what they want for their children, a constitutional amendment that will make it unequivocally clear that children can hold voluntary prayer in their schools. Now I urge the Congress to work with me in passing an amendment that we can send to the States for ratification.

I know now what I'm about to say will be very controversial, but I also believe that God's greatest gift is human life and that we have a sacred duty to protect the innocent human life of an unborn child. Now I realize that this view is not shared by all. But out of all the debate on this subject has come one undisputed fact, and this, out of the debate, has been the uncertainty of when life begins. And I just happen to believe that simple morality dictates that unless and until someone can prove the unborn human is not alive, we must give it the benefit of the doubt and assume it is. And thus it should be entitled to life, liberty, and the pursuit of happiness.

As a nation, we're struggling to guide ourselves safely through stormy seas. We need all the help we can get. I think the American people are hungry for a spiritual revival. More and more of us are beginning to sense that we can't have it both ways. We can't expect God to protect us in a crisis and just leave him over there on the shelf in our day-to-day living. I wonder if sometimes if he isn't waiting for us to wake up and that he isn't maybe running out of patience.

Within our families, neighborhoods, schools, and businesses let us continue to reach out, renewing our spirit of friendship, community service, and caring for the needy—a spirit that flows like a deep and mighty river through the history of our nation. But to the lawbreakers and drug peddlers who would harm and prey on innocent citizens, who make our people live in fear, we also have a message: We will demand justice, and justice includes swift and sure punishment for the guilty.

You know, someone once asked, "Which role will you play? Will you be the wrecker who walks your town, content with the labor of tearing down, or will you be the builder who works with care that your town may be better because you've been there? " With the caliber of leadership from people like your president, Duane Acker, KSU's answer is loud and clear. You have every right to be proud.

Let me give you another example of a down-home, private sector initiative that impressed me very much. Just recently—I mentioned the savings and loan, the Federal savings and loan here—but just recently 25 Kentucky banks voluntarily reduced their prime lending rate to around 12 percent, so local borrowers would have more investment capital to create jobs, and families could afford home mortgages. The banks also challenged other State banks to do the

same. Imagine how many jobs could be created if the number of banks in America making that kind of voluntary gesture was not 25, but 50 times 25.

The strengthening of spiritual ties, binding of families, and coming together of communities is making America whole again. We are rebuilding. But we've only begun to rebuild.

As we lift our spirits, we must continue to lift the yoke of economic oppression that has penalized hard-working families, weakening our strength, threatening our security in the last 19 months or longer than that. I just started in the next sentence too early without a period. [*Laughter*] In the last 19 months, a coalition of Republicans and Democrats has begun to rein in a government that is careening out of control, pushing us toward economic collapse and, quite probably, the end of our way of life. This is no exaggeration. Over a 22-year period, the Federal Government has managed to balance the budget only once. It has increased spending more than 600 percent, increased taxes more than 500 percent, and mortgaged our future by pushing the national debt over $1 trillion.

Well, the coalition that I mentioned has begun to set things right. Federal spending growth has been cut nearly in half from that suicidal 17-percent-a-year rate that it was running in 1980. Inflation has dropped from 12.4 percent to 5.4 so far this year. And prime interest rates are down from 21½ percent to 13½. Leading economic indicators, which forecast future economic activity, have been up for 4 months in a row now, and that hasn't happened for quite a while.

Yes, recovery has been sighted, but these statistics that I just mentioned are cold comfort to someone who is still out of work. Unfortunately, unemployment is just about the last indicator to turn around after a recession. The other problem is: Unemployment has been gaining on us for years. Since 1976 the unemployment rate in this country has averaged over 7 percent, far higher than in earlier, postwar years. High inflation and interest rates pushed more and more families to seek a second income. To charge that our administration is trying to reduce inflation on the backs of the unemployed is to stand truth on its head. More than anything else, it was those record interest rates and double-digit inflation that led inevitably to this recession—and it started quite a while ago—and that's what we're trying so hard to turn around. And until we do, we have a responsibility.

Alf Landon reminded us that in a time of trouble, "It is reasonable and nothing less than just that the government exert all its powers to prevent suffering among the less fortunate." Well, this we will do. What does it mean when we say we love America? I think it means we think, before anything else, that we love our countrymen, that we reach out with a helping and healing hand when they cry out or fall behind, and that we tell them, "Don't be afraid; you're not alone."

You may have read the passage in the Psalms which says: "Weeping may endure for a night, but joy cometh in the morning." The American people have endured a long and terrible night, lasting more than a decade and filled with one economic disappointment after another. And today, that long night is ending. We will see a new dawn of hope and opportunities for all our people.

With the help of your senior Senator, Bob Dole, we've just passed a tax reform and spending reduction bill that, along with the budget resolution, can reduce projected deficits by nearly $380 billion over the next 3 years. And we've done this without canceling the tax cut passed last year, which will save taxpayers $335 billion in those same 3 years. That means the average family next year will pay $788 less in personal income taxes. But we still have one major hurdle to clear. We must summon the courage to get control of the spending programs which have been the major cause in recent years of budget hemorrhaging and spiraling deficits and the high interest rates.

I've said before, balancing the budget is a little like protecting your virtue: You just have to learn to say "no." [*Laughter*] The Congress passed legislation in 1978 requiring the budget to be in balance by fiscal year 1981. But, like [comedian] Rodney Dangerfield, the legislation didn't "get no

respect." [*Laughter*]

Well, it seems to me that Republicans and Democrats alike want an end to runaway government spending, even if that means pruning some popular programs. The people have something that is often in short supply in government—common sense. And they understand that making this government live within its means will ultimately do more to protect their earnings, bring down interest rates, and put our unemployed back to work than anything else we could do.

The gist of the message I've been receiving is: "No more ifs, ands, buts, or maybes; we want an amendment to the United States Constitution making balanced budgets the law of this land, and we want that amendment now."

The Senate has done its job and brought us a step closer to a constitutional amendment. But the House leadership is keeping the bill bottled up in committee. This is no partisan issue; it's the people's will. And today we're saying to the House: "Let their voices be heard."

There's one other goal on the horizon that we should all work together to reach. We should go much further in reducing tax rates and make that whole jigsaw puzzle of a tax system more simple and fair for all. I had someone make out my income tax, and when I read it, all made out, I couldn't understand it.

Everything we're trying to do—from eliminating wasteful spending and regulations, to reducing tax rates and returning power and resources to the States and communities and honoring the roles of families, churches, and schools—boils down to putting you, the American people, back in charge of your country again. We want you to enjoy more opportunities and to have a much greater say in shaping America's future.

Apply that philosophy to agriculture. American farmers were hurt badly and still have not recovered from the disruption their markets suffered from the grain embargo against the Soviet Union. We believe that government's proper role is to act as friend, partner, and promoter of American farmers and their products around the world. And, as promised, we lifted the embargo. The Soviets have accepted our offer to extend the grain agreement, requiring that they purchase at least 6 to 8 million metric tons, and we're willing to sell them a lot more.

So far, we've dispatched trade teams to 23 nations in Europe, Africa, Latin America, the Middle East, and the Far East. We're committed to opening agricultural markets in all countries. We challenge other countries, particularly our friends in Europe and Japan, to match this commitment.

Again, I want to salute Kansas State University for its invaluable research efforts and the many contributions that it makes with such programs as International Grains and the Food and Feed Grain Institute. Looking to the future, big challenges await us in the growing markets of high-valued products and in the development and mastery of electronics in the agricultural field.

We're a peaceful country. We seek a more peaceful world, where liberty and enterprise can flourish, bring greater fulfillment to people who are now deprived and oppressed. On the recent trip to Europe, I had the privilege of personally promising His Eminence Pope John Paul II that America will do everything possible for peace and for genuine arms reduction.

But to keep the peace and to keep our freedom, we must stay strong. I have seen in my lifetime, and many of you in yours, how despots took the world to the brink because they thought the spark of freedom had died in our hearts. Sons and daughters of Kansas, as well as the rest of our country, brave war heroes like Bob Dole, proved how wrong those despots were.

To those today who would charge us with being imperialistic or warmongering, let them be reminded of a little history. After World War II, we were the last great power undamaged by the war, our industry intact. We occupied Germany and Japan, our erstwhile enemies. We alone had the ultimate weapon, the atom bomb. We could have very easily dominated the world. But that's not what America's all about. We used our power as a force for good, to take freedom's next step, and with our Marshall plan lift mankind another rung. And we applied it to our erstwhile enemies as well as to our

friends.

Well we can do that again, and as you have before, you can help us by leading the way. You have a special gift. I remember how the historian Carl Becker wrote about his first visit to your State, to Kansas. He didn't want to come. He missed the green hills of New England. He sat on the train and described the "dreary yards" of Kansas City. But then he noticed a young girl gazing silently out the train window for a long, long time. And finally she turned to her companion, and with deep feeling said just three words: "Dear old Kansas." And it was then that Becker said that he realized Kansas is a State, a philosophy, a religion, and a way of life, all in one.

You have within you a deep well of goodness, strength, and inner peace that can carry America forward. And I know you will. And to all of the young people who are here today, we not only have faith in you and are going to welcome you out into this society of ours to help with the problems, but there are some of us that hope with all our hearts that we can start making payments on that massive debt so that you and those who come behind you will know that we don't intend to selfishly leave it all to you.

Thank you all very much. God bless you.

Note: The President spoke at 11:16 a.m. in the Ahearn Field House and Gymnasium at the university in Manhattan, Kans., following remarks by Governor John Carlin and Dr. Duane Acker, president of the university. Following his remarks, the President was joined at the podium by Governor Landon for the presentation to the President of a saddle blanket by Bill Rogenmoser, president of the student body.

Alfred M. Landon served as Governor of Kansas from 1933 to 1937. In 1936 he was the Republican nominee for President of the United States, but was defeated in the general election by Franklin D. Roosevelt. This was the 58th Landon Lecture. Kansas State University has conducted the series since 1966 as a tribute to Governor Landon.

Remarks at a Kansas Republican Party Fundraising Luncheon in Topeka

September 9, 1982

Thank you very much, ladies and gentlemen. Thank you very much. Mr. Chairman, reverend clergy, Senator Bob Dole—I thank you very much for those very kind words. I thank you, too, for that employee that works those long hours over there at the White House. And Governor Sam Hardage—if these people worked as hard as I'm sure they're going to work—and your runningmate Dan Thiesen, State chairman, Governor Bob Bennett, and Republican National Committee members Mary Nell Reese and Huck Boyd, and your candidate from this district for Congress, Morris Kay, who I am just waiting anxiously to greet in January in Washington, D.C., and my own chairman here when I was a candidate a little while ago, Pete McGill:

I was deeply saddened last Saturday, as I'm sure all of you were, when I learned that we had lost a fine and a great statesman, typical of the kind of men and women that Kansas contributes to our nation, a good friend, Keith Sebelius. I know that his wife and all of you here in Kansas must be very proud and must miss very much this fine man. We're united today around the principles that he fought for for six terms in Congress.

You know, the choices are very simple for us. Bob said it correctly: You can't go in and instantly clean out the stable and change things that have been piling up for as many years as they have. [*Laughter*] I suppose that I could have reworded that—probably should have.

We have started, and I think in this less than 2 years—it's been about 20 months now—I think that this party, because it has been a team effort right from the grass-

roots, from all of you who've done the work, for all of you who have, when it was necessary, contacted Representatives as to what you wanted—have made a start that I don't think any of us in our wildest dreams thought could have been made in just this short 20 months.

When we started, the Government was spending at a rate that increased every year 17 percent. The taxes had doubled in the last few years before we got there. The interest rates were 21½ percent. Inflation had been double digit for 2 years in a row, and was then at 12.4 percent. There were other things that were going on.

Unemployment—bad as it is today, and it is bad, and it's worse than it was. The only thing that we can say is it had been steadily coming on, an increase in unemployment, since 1976, showing that there was something basically wrong in the pattern that was being followed. And it was almost 8 percent by the time our administration started. Yes, now it is at 9.8 percent, and it is tragically the last thing that recovers when you come out of a recession.

Well, now that increase in the rate of spending by government is down to less than half of what it was 20 months ago. The interest rate is 13½. And if you think I wasn't happy this morning on the way in, to see the Topeka Capital-Journal, where the Capital Federal lowers the new home mortgage rate to 12¾ percent, well below the figure that it's been before. Henry Bubb is doing his bit there—because one of the great sources of unemployment in our country is the slack in the housing industry that has been created by the high interest rates—to once again bring back and help bring back that dream of everyone owning a home.

But the 21½-percent prime rate is now 13½. The 12.4-percent inflation rate is 5.4 so far this year and probably will end up some place in that vicinity for the 12 months—when the 12 months are up. And as I say, we've reduced the size and the rate of increase. We won't really be happy until we've flattened that out and made that come down to meet the revenues that are coming in.

Now, you've got some fine candidates here both at your State level and your candidate here for Congress—another one from another district, but we'll talk about the one, Morris Kay, who is here for this district, and why we need them so much. In addition to some of the things that I've just mentioned that have taken place in Washington—a whole turn—when you stop and realize that for almost 20 months—after 20 years of government debating how much it was going to spend on what—for 20 months, the argument and the debate in Washington is over how much we're going to cut. No, we didn't get all the cuts we asked for—not in the give-and-take of the legislative process. But when you come up with about 80 percent of what you asked for, you figure you'll come back next year and pick up the rest, plus some more which we're going to do in 1983 and in 1984.

I know that your candidate for Governor, Sam Hardage—I know that his opponent, the incumbent, suggests that the way out of the economic problems for Kansas State government is a tax or taxes. Sam Hardage says you can do it by reducing wasteful spending. Well, I'm heart and soul with him on that. I know that to improve the business climate, to encourage more business activity here in the State and more to come to this State, he's formed, already, a commission of citizens to find out ways to improve the business climate.

Sam, we had the same problem in California back in 1967 when I started as Governor. There wasn't a major industry in California that had not canceled whatever plans it had for expansion in the State of California because the business climate had become so bad. And the State was spending more money than it was taking in, and I understand that's been happening here. And I understand, like California, it's not suppose to happen under the State constitution. The way to turn that around is to shut off their allowance. [*Laughter*]

We turned to the private citizens of California at that time, and they came in droves—volunteers. All they needed was to find out that someone needed them and wanted them to come in. And we had, for 117 days, more than 250 volunteers from the business community, the top experts in their fields, who went into 64 agencies and

departments of State government and came back and told us how government could be made more economical and more efficient by adopting modern business practices which government had not done.

Well, let me tell you something about the Federal Government and why we need Morris Kay there at that end. We have just had a report in our Cabinet Room after all that we've done in the 20 months and the cutting back in big spending programs. But we have been surveying—and with help from the private sector—the machinery of Federal Government. And we have discovered where there are literally thousands of people doing by hand what in every business institution in America is now being done electronically. We have found that the business practices are from another age, and we're going to work on that and make the changes that will not only make government more effective, more efficient, but more economical.

There's been a great deal of talk, and I'm sure it must have disturbed many of you, that in our cutting that we have picked on the helpless, the needy, the poor, and that in some way we're seeking to deprive them of the things that they must have because they have no place else to turn. They must depend on the rest of us for help. Well, that is not true. What we have really been getting at is the excessive amount of bureaucracy that it takes to deliver a dollar to a needy person or a helpless person in this country. And it takes more than the needy person is getting. The war on poverty created a great new upper-middle class of bureaucrats that found they had a fine career as long as they could keep enough needy people there to justify their existence.

I remember as Governor that I vetoed one of the Federal programs. It was a project to take 17 people, able-bodied people from welfare, and put them to work on projects in working in some of the parks in an area in California. Now, you'd think that sounded pretty practical and what we'd all like to do. I thought it was, too, until I found out that half the total budget was going for 11 administrators to see that the 17 got to work on time. [*Laughter*]

It is not only the bureaucracy that we must cut back on, but we have found that in the effort to do good that a great many people who have no real moral justification for being beneficiaries of these programs are there. We have just recently found out, for example, in just one first check—we haven't even gone nationwide—that when 8,000 people are receiving social security checks, and they've been dead for an average of 7 years, there's a little sloppiness that needs to be corrected there. [*Laughter*]

Well, this is going on and, as I say, it's kind of fun. It causes a lot of surprise in Washington. Well, any time you apply common sense in government, it causes some surprise. [*Laughter*] So, we're going to keep on with that.

And as I told the audience in Manhattan this morning, yes, we came to a point and, thank God for Bob Dole, because we discovered after last year's victory in budget cutting and our great—over a several year period—tax cut that was to come in installments with the third cut due next year—and, incidentally, I understand that Morris' opponent doesn't think that you should get that tax cut next year, and he would take it away from you. We'll die in the streets fighting before he does. [*Laughter*] We found this year that, again, in that legislative process, we could not get the continued reductions in spending unless we were willing to go for some new revenues.

Well, we didn't really point out, and I don't think Bob has pointed out, that when we submitted our tax cut program last year, it underwent some changes on the way through the legislative process. The tree had some additional ornaments hung on it. So, many of the things that are in the recent package that was just passed, of budget cuts and tax increases they were called, was getting rid of some of that baggage that we hadn't asked for. And a full third of that tax increase is not an increase at all. It is a plan we have for collecting taxes from people that owe them and are not now paying them.

So, we're going to cut the spending or reduce the deficits over the next 3 years by $380 billion—is our projection. And thanks to the engineering of Bob Dole and his cohorts there on the Finance Committee, even with this last tax package which

caused a great deal of controversy, even with that, your tax cuts over the next 3 years will amount to $335 billion, in addition to the reductions in spending.

The average American today has $400 more in his pocket because of the cuts in taxes so far. Next year that will be $788 for the average citizen. But they have even more than that. Because of the cut in inflation, a family of four with an income of $15,000 has a thousand dollars more purchasing power today, just from the reduction of inflation, than they would have had had inflation stayed at the 12.4 we found when we got there 20 months ago. So, I think that we've been doing a few things.

Now, I'm trying to be brief because I know I've gone over my time, and we're all supposed to be in an airplane now on our way to Utah. [*Speaking to a member of his staff:*] And don't get nervous, we're going to get there. [*Laughter*]

There has also been a great deal of discussion about the fact that the one place where we are spending and where we have been willing to increase spending is in the matter of national defense. Now, at the same time, we have a citizens' committee of businessmen, with the full cooperation of Secretary Cap Weinberger, who are in the Defense Department going through, doing what I told you we did in California, to see where there are areas in which legitimate savings can be done—not the kind of savings advocated by our opponents and the kind of savings advocated by Morris' opponent, which would just simply cut out weapons systems and reduce our ability to defend ourselves.

When we took office 20 months ago, on any given day half the airplanes in our military could not fly for lack of spare parts. Almost the same percentage of naval vessels couldn't leave port, either for lack of spare parts and machinery or lack of full crew to send them out.

Yes, we stepped up the defense spending. At the same time, we now have teams in Geneva, Switzerland, who are negotiating with the Soviet Union for outright reductions in strategic nuclear weapons. Nuclear freeze, yes—after we have reduced the number of weapons in the world and reduced the Soviet Union to no more than we, ourselves, have.

But again, to those who say that that is so extravagant, may I point something out: Our defense budget is 29 percent of the total budget, and 53 percent of our budget goes to those social needs, those human needs that help other people who must have help. Well, if we go back to the days of Camelot and to the late John F. Kennedy, his military budget was 46 percent of the total budget, and only 27 percent was being spent on the social needs. And ours is reversed—29 percent for military and, as I say, 53 percent for those other needs.

But the very fact we have shown the will and intention of building up is what has brought the Soviet Union to the bargaining table. It was all explained in a cartoon, one of my favorite cartoons, one day. It was a cartoon of Brezhnev speaking to a Russian general and he was saying to the Russian general, "I liked the arms race better when we were the only ones in it." [*Laughter*]

The volunteer military is working. There has been an upgrading in the quality of the young men and women who are enlisting in the service. We have a full complement. We're not short as we've been in the past because, again, in a little spending and with that defense budget, we decided to try and pay the people who wore the uniform to defend their country something commensurate with the job we were expecting of them, instead of treating them as draftees, which they weren't. And the result is a morale that is a joy to behold.

I'll tell you a little story—a favorite of mine, and I've told it before. The Ambassador from Luxembourg sent me a letter. And he said that he'd been up on the East German border looking at the Second Armored Cavalry Regiment. And he discussed what a fine outfit it was and what great shape they were in and everything, and then he said that when he went to his helicopter, a young 19-year-old trooper followed him over. And he asked the Ambassador, he said, "Can you get a message to the President?" And, being an Ambassador, he allowed he could. Well, he said, "Will you tell the President for us that we're proud to be here and we ain't scared o' nothin'." [*Laughter*]

Now, I know there are people that when you say that they say, "Oh, see, look, he's a warmonger." Well, like many of you, I've seen four wars in my lifetime for our country. I don't want to see another one. I look at those young men when they're in formation outside for a ceremony there at the White House, and I say, "How could anyone think that anyone in this position would want to send those young men out into battle?" No. But the very presence of those men is what brings peace nearer. They are the peacemakers, because I don't think the Soviet Union would have been at the bargaining table in Geneva if they had not seen our determination to go ahead building up our ability to defend ourselves.

Our goal is peace—world peace. And we can only have it if we show them we have the determination. None of the four wars that I mentioned ever took place because America was too strong; they took place when other people thought that for one reason or another we were unwilling to defend ourselves.

So this is just a kind of a sum-up. And as I say, I've stayed longer than I should. But it's so much fun talking to you.

Now, the reason for being here, believe me, please send this man to the statehouse and his runningmate, Dan Thiesen, to help him. Send those others that he's going to need there to help him in that job that has to be done, because the other part of our program, the federalism, that is the program in which we're going to restore the tenth amendment of the Constitution. And that is the amendment that says the Federal Government shall do *only* those things specifically called for in the Constitution, and all others shall remain with the States and with the people. And it isn't going to work if it just starts out in Washington and you don't have people like this at this end that believe in it and want it and want to make it work. And he will.

And, of course, you know we not only intend to send those functions back that belong, we intend to send the sources of revenue to pay for them. We're not going to just dump them on the States and the local communities.

And you send Morris back there to Washington because you may have suspected that we need a little help in the House of Representatives. [*Laughter*] We've been doing pretty well over there in the Senate, and in fact, very well. We couldn't have accomplished what we have if we did not have for the first time in twoscore years one house of the Legislature, the Senate.

And now we need that help over there on the House side. We need it because bottled up in committee there in the House right now is the amendment for a balanced budget, which we must have. There's no reason why the Federal Government should be free to spend out of control, beyond its means, knowingly and willingly, and then foist off on our children and grandchildren a trillion-dollar-plus debt.

My dream is that before we leave that place, we will have—if we could only even have made the first installment on starting to reduce that national debt and let our children know that we don't intend to leave it all to them.

And so we need them. We need their help. We need the other amendments of which I've spoken this morning, the right for prayer in school. I feel, even though it's controversial, that until someone can prove, as I said this morning, that the unborn child is not a living creature, then simple morality dictates that we assume the unborn child is a living creature, and that can be corrected in Washington, also.

Prayer in schools, balanced budget amendment—all of those things remain to be done, plus the continued whittling down of that giant behemoth, the Federal Government, bringing it back to size and making it just halfway as efficient, if we can, as you are in your daily work and your daily businesses. And there's so much to do, and we just need their help.

So, if you feel like—I'll get off of here if you'll promise to send them back. [*Laughter*] Thank you very much.

Note: The President spoke at 1:37 p.m. in the Regency Ballroom at the Ramada Inn. Later in the afternoon, the President left Topeka and traveled to Ogden, Utah.

Question-and-Answer Session With Reporters on the House of Representatives Override of a Fiscal Year 1982 Supplemental Appropriations Bill

September 9, 1982

Q. Mr. President, is there any reaction you have to the vote in the House today?

The President. Yes, one of disappointment.

Q. Why were you disappointed when——

Q. Were you surprised today?

The President. What?

Q. Were you surprised today?

The President. Well, I can't say totally surprised. No, I knew it was an uphill fight.

Q. What happened, Mr. President? Why do you think you didn't have the votes?

The President. Well, because maybe there are more people in the Congress that want to spend than want to save. I'm hopeful with regard to the Senate tomorrow. But however it goes I'm going to keep on doing what I said I would do to the people, and that is, I am going to veto any time there's an attempt to bust the budget. And I promised to curb spending and to maintain the national defense, and I'm going to keep on trying to do that.

Q. Mr. President, you had a delegation of people from the administration on the Hill yesterday trying to work out a compromise that would lower the amount you are willing to accept. How much farther are you prepared to go to get an appropriation bill?

The President. Well, I don't think that's anything to talk about now, although, yes, obviously there were things in that bill I vetoed that I wanted. My own Caribbean Initiative was in there. I dream of the day when maybe Washington gets smart enough to give a President the right of a line-item veto.

Q. Mr. President, how serious a setback is this? This is one appropriations bill at the end of another budget year. Last year you were very frustrated by the budget process. How bad a setback is this one?

The President. Well, in the field of domestic spending it busts the budget by about $1 billion. You know, as some Democrats in the past have said, "A billion here and a billion there. It adds up." [*Laughter*]

Q. Mr. President, how much ground are you prepared to give in order to get a supplemental bill?

The President. Well, I want the Caribbean Initiative. They can put that in.

Q. What about for the elderly—jobs for the elderly and student loans?

The President. Yes, this one slipped by me. I happen to believe in that program, and I gave them word that I would support that.

Q. How close is it in the Senate?

The President. I don't know. We're too far away. [*Laughter*]

Q. Do you want to send Senator Hatch home to vote the right way?

The President. I know he would.

Q. What?

The President. I know he would vote the right way.

Q. Thank you.

Note: The exchange began at approximately 5 p.m. in the Union Pacific Room at the Ogden Hilton Hotel in Ogden, Utah. Following the session, the President attended a meeting at the hotel with Republican State chairmen from 12 Western States. The President remained overnight at the hotel.

Question-and-Answer Session With Reporters on the Senate Override of a Fiscal Year 1982 Supplemental Appropriations Bill

September 10, 1982

Q. Sir, it's a lot quieter in here. Could you tell us again what your reaction is to the Senate vote?

The President. I said what I said yesterday. Yes, it's a disappointment. But it doesn't change my mind any about what I'm going to do. I have said and I intend to vote [veto] budget-busting bills, and I will continue to do that.

Q. Well, Mr. President, does this mean you've lost your touch with Congress?

The President. No, I don't think so. You know, I wasn't aiming for a scoreless game. I'll just be content to win.

Q. Well, sir, you're not used to losing, and Congress might now believe that it's got you.

The President. Well, let's see the next time out. I don't think so.

Q. Are there more bills you're going to veto? You said——

The President. Anytime there's an attempt to bust the budget, yes, I will veto it. I think there was some consideration in this one that a number of people felt that it didn't actually, in the aggregate, bust the budget and so forth. I felt that it was. I'll tell you, if you of the press would like to start a campaign to give the President a line-item veto, we could avoid such emotional disturbances—[*inaudible*]——

[*At this point, several questions were asked simultaneously.*]

The President. I think you ought to be asking questions about this. I think this is one of the most——

Q. You don't have any hard feelings against Senator Domenici and other Republicans who voted against you, or do you?

The President. No, I'm not angry. I'm just terribly, terribly hurt. [*Laughter*]

Q. Oh, come on. [*Laughter*]

Deputy Press Secretary Speakes. Let's hold off on the questions and let him look at the store, please.

Q. Sir, are you afraid that—[*inaudible*]—coalition may begin to crumble a little bit now?

The President. No, no, not at all. But you ought to be asking questions about this, because I think this is one of the great examples in America today of what we've been talking about—about what the people could do for themselves if they hadn't been dragooned into believing that government was the only answer to this.

Here is an entire industry, as you can see. It is manned by volunteers, people from the church. The foodstuffs that are here are raised by volunteers, picked by volunteers. They're brought here, they're canned, they're put up in whatever packages are appropriate, and they're used to distribute to those people who have real need here in the State of Utah and all over the country, for that matter—people from the church. And you wonder why others haven't thought of the same thing and been able to do this same thing—so much more efficiently with so much less bureaucracy, in fact, virtually no bureaucracy, as compared to government's attempt to do this. This is all available for the needy, and all produced by volunteers.

Q. Have you seen anything comparable to this anyplace else that you've traveled?

The President. Yes, when I visited a similar institution as Governor in Sacramento, California, doing much the same thing there, the same group. And in my home State of Illinois, they have a shoe factory that is manned by volunteers from the church.

Q. Do you think something like this could maybe help curtail the inflation or help bring things back into the reach of people?

The President. What I think is, that if more people had this idea back when the Great Depression hit, there wouldn't be any government welfare today or need for it.

Q. It is too late now?

The President. No, no. That's why we have a task force—and we have representatives of the task force here, the task force headed by Bill Verity on seeking out ways

that—the Private Initiatives Task Force—to seek out ways in which the private sector, the people themselves, can meet some of these problems.

Q. You're sure you're not upset with those Republicans who deserted you?

The President. No, no. Oh, I wish they'd have behaved differently, but then everyone makes mistakes.

Note: The exchange began at 11:47 a.m. during the President's tour of the Mormon Church Regional Welfare Cannery in Ogden, Utah. The President was accompanied on the tour of the cannery and cannery store by President Gordon B. Hinckley, member of the Church of Jesus Christ of Latter-day Saints' first presidency.

Remarks at a Utah Republican Party Picnic in Hooper
September 10, 1982

Thank you Dick Richards, Mrs. Orrin Hatch, Congressmen Jim Hansen and Dan Marriott, and our State chairman for the Republican Party, Chuck Ackerlow. It's good to be in Hooper, and it's good that all of you would come out here, particularly under these circumstances, for this meeting. You know, this is almost as big a crowd as an Osmond family reunion. [*Laughter*]

Now, just out and back here before I came up, I was made a member of the Weber County Sheriff's Mounted Posse. I'm greatly honored. I'm also relieved, because when they rode up I thought maybe I had done something wrong and was going to get put in the slammer. [*Laughter*] I thought Tip O'Neill might have arranged to take me out of circulation for awhile. [*Laughter*] But now with this badge that they gave me, maybe I can stop some of the highway robbery that's going on in Washington.

You know, it's always a pleasure to come here to your State, but this morning I had an extra pleasure. You know that I've talked for a long time about Americans doing for themselves, about the private initiative, about citizens' groups doing so many things that government thinks only it can do. And I have just toured a cannery—part of the program of the Latter-day Saints—they have for meeting the needs of people who must depend on the rest of us in times when they have to have help. And here were people working in this cannery, doing everything that has to be done—peeling of the tomatoes, and the sorting for those for juice and those for canning, and everything else, and they're all volunteers from the church—[*noting a problem with the sound system*]—Tip *is* here—[*laughter*]—doing all of that; all of the things that are canned. All of the produce is raised, again, by volunteers from the church, picked by the volunteers from the church, and then brought in, and the church distributes this to people who truly have a need for it. No costly bureaucratic overhead. And those who make this program possible, work at the same time to help the needy among you become self-supportive, while they care for them until that can take place.

It's an idea that once characterized our nation. It's an idea that should be reborn nationwide. It holds the key to renewal of America in the years ahead.

Now I know that you're delighted that we have Mrs. Hatch with us today. Maybe you're wondering where the Senator is. Well, we flew out here together yesterday afternoon, and he was to be here and would be speaking to you now. But last evening, word came that the Senate might be short of votes to sustain the veto that I had made of a spending bill, and a bill that I felt could begin to set a pattern for future budget-busting. And without any hesitation, Orrin climbed on a plane and went back to Washington where he was needed. So, your Senators are there, where they voted.

I regret to tell you that his trip proved fruitless. It would have required 31 votes to block the override of the veto. We got just 30 votes, so the veto was overriden. But I

want to tell you something: They'd better practice at that because they're going to get a chance to do that every time they send an appropriation down that is over the budget—I'm going to veto it again.

One of the reasons I came here today—I'm sure you know how essential it is for all that we're trying to do in Washington and to tell you what Orrin is doing, your Senator, and why you should send him back there. His proposal for a constitutional amendment to balance the budget is one of the most important bills to pass the Senate this year. And I defy anyone to tell me why it doesn't make common sense that the Federal Government should start restricting its spending to be within the limits of its revenues.

Traditionally, the Labor and Human Resources Committee is the big spending operation in Washington. Well, with Orrin Hatch as chairman, that committee now has been responsible for 25 percent of the budget cuts that we got last year. And in addition to that, he serves on the Budget and Judiciary Committees and is a member of the Select Committee on Small Business. He was floor leader of the balanced budget amendment when it passed the Senate. I think he deserves a second term.

Working closely with Jake Garn, working together as they do, no State has a better representation than Utah in the United States Senate.

Now we've started to turn America to a different course. Do you want to continue on the course of reducing the size and cost and power of the government, or do you want to go back to the course we've been on for the last 30 years of tax-and-spend that led us into the present economic trouble? I think I know your answer.

Twenty months ago, spending was out of control. It was increasing at a rate of 17 percent a year. We've cut that rate in half in these 20 months. Inflation had been double digit, back to back, 2 years in a row. It was 12.4 percent 20 months ago. It's now 5.4 for so far this year, since January. You know what that would mean to a family, say, with an income of $15,000, a family of four? They have $1,000 more purchasing power just from the reduction of inflation than they would have had if inflation had stayed at 12.4.

Interest rates had reached the highest level in 100 years. The prime rate was 21½. This more than anything else brought on the present recession. The prime rate is now 13½.

In Kansas, yesterday, we were informed that one of the top half dozen Federal savings and loan organizations in the country, the Capital Federal Savings and Loan, there, had just brought down its own interest rates to 12¾ for people who wanted to borrow for mortgages and investments. And this is well below the going rate.

In Kentucky, 25 banks got together and made loans available at well below the ongoing or the present rate of interest for people who wanted to buy automobiles. Ninety-day Treasury notes a few weeks ago were 15½ interest that we were paying on those notes. Today, it is less than 8. And with your votes, you helped bring that about. Don't stop now.

In the House of Representatives, where we're still a minority, Jim Hansen and Dan Marriott have been instrumental in reducing this burden of government. They played a major role in getting our economic recovery program through the House last year. In all the previous recessions since World War II, the Democrats' leadership had resorted to the quick fix, the artificial stimulants of government spending. And we've had only one balanced budget in 22 years. Our debt is more than a trillion dollars. And after each quick fix, it seemed that there would be a recovery. But in about 2 years, there would be another recession, and it would be deeper and worse than before, with more unemployment and a higher inflation rate.

Unemployment didn't just come upon us in this recession. Unemployment has actually been building in America for 15 years. It's averaged 7 percent or better since 1976. I campaigned in 1980 in cities in this country where the unemployment rate was already 20 percent. In Detroit, it was 18 percent. And I remember calling what we were seeing then a depression. And the then incumbent President corrected me publicly and said that there was a difference between a depression and a reces-

sion—and gave me one of the happier lines I had in the campaign, because I replied that, "Yes, I knew there was a difference. A recession was when your neighbor was unemployed; a depression was when you were unemployed; and recovery would come when he was unemployed." [*Laughter*]

But the answer lies in a solid recovery that is based on reduced government spending, on a reduction of the percentage of the peoples' earnings that government is taking in taxes, and incentives to get the wheels of industry turning again.

Now, our opponents, when we launched that economic recovery program that these two Congressmen helped so much with, as did Orrin and Jake Garn—Orrin Hatch and Jake Garn—our opponents said that the program was a failure. But they were a little ahead of themselves, because the program didn't go into effect until last October, and they were saying this in July and August and September.

Well, the first phase went in in October, and already I've told you of the changes that have taken place in inflation and the interest rates and so forth. But there are others. Last month, housing starts went up 34 percent. Four months in a row—we've had the economic indicators that indicate whether you're coming out of a recession—for 4 months in a row, they've been going up, and that hasn't happened for a long time. The real earnings of the people, discounting for inflation, the real earnings are going up and have been going up now for the first time in a number of years. The rate of personal savings has gone up above 7 percent.

We've been the lowest among the industrial savings [countries] in the ability of our people to save any of the money that they earn. What that means is billions of dollars over a period of time in the capital pool that can be called upon for investment, so that when government has to borrow for the deficit—we'll still continue for awhile—we won't be taking all of the money and making it impossible for business to expand and provide the jobs that we need.

In spite of the recent tax reform, which was only an adjustment of the tax cut that was passed last year, you will be getting over the next 3 years $335 billion in additional tax cuts. This year, if it was averaged out, the average person has $400 more in tax savings because of that program than they had before. And next year, even with this tax reform, that will go up to $788. And following that, indexing is to come, which is going to make it impossible for government to profit from inflation by shoving people up into higher income tax brackets just because they get a cost-of-living pay raise. But the measure that we passed a few weeks ago will cut the deficit over these same 3 years by $380 billion.

We're canceling regulations that are unnecessary, that have burdened the American people and business and industry with unwanted and unnecessary paperwork. So far, the task force that's doing that under George Bush has saved the people of this country 200 million man-hours of filling out government forms. So far, it has saved $6 billion.

We have another task force that is working on fraud and waste. They have brought thousands of indictments; they have done thousands of audits; they have found thousands of people receiving government benefit checks who've been dead for 7 years. They have saved, so far, in the last 6 months, $5.8 billion.

Brigham Young once said, "The framers of the Constitution laid a foundation and it was for after generations to rear a superstructure upon it. It was," he said, "our progressive, gradual work." Will the foundation of our land still be solid? We've just been building a house of cards on it so far. Today we're returning to the principle that I saw this morning in that cannery and that we are beginning to come back to, and that is the principle of reward for honest toil, living within our means, and paying heed to the spiritual values that have always been the inner strength of America.

Yes, Orrin Hatch, Jim Hansen, and Dan Marriott, Jake Garn—they all understand that. Orrin Hatch knows that it isn't someone in Washington that he represents; he's not beholden, as possibly his opponent is, to outside special interest groups or a labor hierarchy in the Nation's Capital far away. He is responsible to the workers and the ranchers and the people of this, his own

State of Utah. And I can assure you, the people of Utah, that he has your best interests always in mind.

There are other very important problems to be dealt with, and I'll make it fast, because it is beginning to get damp, isn't it? But these are things that perhaps don't have so much to do with the economy. They have to do with our role in the world in regard to peace. I just talked this morning by radiophone to the commander of our marines. They are safely back on board the ships in the 6th Fleet in the Mediterranean now, after the great duty that they performed in Beirut.

And I don't know how many of you noticed, but I was very proud. It was a multinational force, other forces from other countries went ashore as did ours, and that's fine. But ours was the only force that when it landed did not raise the American flag on foreign soil. It raised the flag of Lebanon, showing our intention that Lebanon must once again be an independent nation with its own government and in charge of its own affairs.

But there are other matters that all of us up here must take up. The matter of prayer in schools. I don't think God should ever have been expelled. There is that balanced budget amendment that we must have. There is tuition tax credits for those parents who are sending their children, perhaps, to a church school or an independent school at the same time they pay the full burden for supporting the public school. And I think they should get some recognition of that fact and some relief for the fact that they are supporting two school systems.

And there is another problem very close to my heart: that more than a million unborn children every year are being denied the right to life. And I think it is time that we decide that unless and until someone can prove to us that the unborn are not truly living creatures, then we morally should adopt the principle that they are, until it can be proven otherwise.

In their triumph yesterday when the House overrode my veto, the leadership, Tip O'Neill and his cohorts, went public with their statements that I was hard-hearted and that they were standing in the way of my imposing on the poor and the needy and so forth. Well, what do they think that their inflation over these last 30 years has done to the poor? I know this: that our reduction of inflation has made a family at the poverty level have $400 more in purchasing power than they had before inflation went down. The best social reform program in the world is a job. And the best way to help the people of this country is to stop taking excessive percentages of their earnings away from them and to allow them not only to keep their earnings and to have a job to work at but to see that the dollar that they've put in their savings is worth as much 2 or 3 years from now as it was when they put it in, and not having 10 cents or 12 cents in value taken off every year by way of inflation.

Well, these are some of the things we're trying to do and some of the things that I think so far we've been succeeding in doing, but let me make it plain: We couldn't do a single thing without your support and help. It is you, the people. And when they hear in Washington from you, the people, they heed what it is you want.

Very simply, the policy of our administration is: This government of ours was created to be a convenience for the people, serving at the behest of the people. It was not supposed to be the master of the people. And we're going to get it back to being as convenient as we can and get rid of that master complex as quickly as we can. We owe that much to all of you for your having sent us there.

God bless you, and thank you very much. Thank you.

Note: The President spoke at 12:29 p.m. at the picnic at Hooper Park following remarks by Charles Ackerlow, Utah Republican State chairman, and Richard Richards, chairman of the Republican National Committee. Following the picnic, the President went to Camp David, Md., for a weekend stay.

Nomination of Robert Bigger Oakley To Be United States Ambassador to Somali

September 10, 1982

The President today announced his intention to nominate Robert Bigger Oakley to be Ambassador to the Somali Democratic Republic. He would succeed Donald K. Petterson.

Mr. Oakley served in the United States Navy as a lieutenant in 1952–1955. He entered the Foreign Service in 1957 and was general services officer in Khartoum in 1958–1960. In 1960–1962 he was foreign affairs officer in the Department. He was a member of the United States Delegation to the Seventeenth Session of the United Nations General Assembly in New York City in 1962–1963 and also to the Twenty-fourth and Twenty-fifth Sessions in 1969–1970. He was economic and political officer in Abidjan (1963–1965), political officer in Saigon (1965–1967), and in Paris (1967–1969). In 1969–1970 he was Advisor for Political and Security Affairs at the United States Mission to the United Nations in New York. In 1971–1974 he was political officer in Beirut and in 1974 was international relations officer in the Department. He served on the National Security Council at the White House in 1974–1977 and was Deputy Assistant Secretary of State for East Asian and Pacific Affairs in the Department in 1977–1979. In 1979–1982 he was Ambassador to the Republic of Zaire.

He graduated from Princeton University (B.A., 1948) and attended graduate school at Tulane University in 1956–1957. His foreign language is French. He is married and has two children. He was born March 12, 1931.

Nomination of Orville G. Bentley To Be an Assistant Secretary of Agriculture

September 10, 1982

The President today announced his intention to nominate Orville G. Bentley to be an Assistant Secretary of Agriculture (Science and Education). This is a new position.

Mr. Bentley is presently serving on a consulting appointment to the Board for International Food and Agricultural Development, Agency for International Development, Department of State. He served on a consulting appointment to the Technical Assistance Bureau, Agency for International Development, Department of State, in 1970–1976. He was dean of the College of Agriculture and Biological Sciences and director of the agricultural experiment station at the South Dakota State University, Brookings, S. Dak., in 1958–1965.

He graduated from South Dakota State College (B.S., 1942) and the University of Wisconsin (M.S., 1947; Ph. D., 1950). He is married, has two children, and resides in Urbana, Ill. He was born March 6, 1918.

Radio Address to the Nation on Crime and Criminal Justice Reform

September 11, 1982

My fellow Americans:

Today I want to talk with you about a subject that's been very much on my mind, even as we've been busy with budgets, interest rates, and legislation. It's a subject I know you've been thinking about too—

crime in our society.

Many of you have written to me how afraid you are to walk the streets alone at night. We must make America safe again, especially for women and elderly who face so many moments of fear. You have every right to be concerned. We live in the midst of a crime epidemic that took the lives of more than 22,000 people last year and has touched nearly one-third of American households, costing them about $8.8 billion per year in financial losses.

During the past decade alone, violent crime rose by nearly 60 percent. Study after study shows that most serious crimes are the work of a relatively small group of hardened criminals. Let me give you an example—subway crime in New York City. Transit police there estimate that only 500 habitual criminal offenders are responsible for nearly half the crimes in New York's subways last year.

It's time to get these hardened criminals off the street and into jail. The primary responsibility for dealing with these career criminals must, of course, rest with local and State authorities. But I want you to know that this administration, even as it has been battling our economic problems, is taking important action on the Federal level to fight crime.

As Attorney General Smith pointed out recently, an important part of the problem is that Americans are losing faith in our courts and our entire legal system. Nine out of 10 Americans believe that the courts in their home areas aren't tough enough on criminals. Another 8 out of 10 Americans believe that our criminal justice system does not deter crime. And these figures have gone up drastically in the last 10 or 15 years.

We can and must make improvements in the way our courts deal with crime. The administration-backed omnibus anticrime bill, introduced in the Congress last year and given important leadership by men such as Senator Thurmond, would help to achieve this vital goal by cracking down on hardened criminals through important legal reforms. These include revising the bail system so that dangerous offenders, and especially big-time drug pushers, can be kept off our streets.

We also want to stop abuse of the parole system by making jail sentences more certain. And we've been pushing for stronger criminal forfeiture laws, a powerful weapon that would take a lot of the profit out of drug pushing and other forms of organized crime. We've also asked the Congress for tougher Federal penalties for drug trafficking.

Other important legislation would require a judge to take into account the suffering of the victim when it comes time to sentence a criminal, would make it a Federal crime to kill, kidnap, or assault senior Federal officials, and would extend the ability of the Federal Government to transfer property to the States, free of charge, for use as prison facilities.

These are important and imaginative steps. They can strike a real blow against organized crime and professional criminals. Unfortunately, they have yet to be passed by the Congress.

I urge the Congress to act promptly and favorably on these major initiatives against lawlessness in America. Every moment wasted is a moment lost in the war against crime.

The day after tomorrow, Monday, I will send to the Congress another package of major anticrime measures. These will include suggested revisions of the exclusionary rule. Now, this is the rule that can force a judge to throw out of court on the basis of a small technicality an entire case, no matter how guilty the defendant or how heinous the crime. Our bill would stop this grievous miscarriage of justice by allowing evidence to be introduced where the police officer was acting in good faith. This position has already been taken by some enlightened Federal judges, and I'm asking the Congress to make it the law of the land.

The measures I send to the Congress Monday will also include important revisions of Federal procedure that will cut down on interference by Federal courts in State criminal proceedings and reduce the great number of cases which now overburden our court system and slow the wheels of justice.

And finally, we will press for commonsense revisions of the insanity defense, a

defense that has been much misinterpreted and abused.

I wish there was more time to talk with you about these steps and many others we're taking, such as our national strategy for fighting drug abuse. I'll have to save that for some of our future get-togethers. But in the meantime, I hope we can count on your support in our war on crime and our efforts to protect the innocent and put the professional criminals in jail where they belong. Working together we can make America safe again for all our people.

Till next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, Md.

Statement by Deputy Press Secretary Speakes on the Situation in Lebanon

September 13, 1982

For most of the period since the Beirut agreement was reached last month, all parties have demonstrated considerable restraint in their military activities. However, in the past week there have been a growing number of incidents which can only harm the chances for advancing the peace process.

The U.S. urges all concerned to avoid provocations, to exercise restraint, and thereby contribute to the hopes of the citizens in the region for progress toward peace.

During the coming days, Ambassador Morris Draper will be meeting with the parties to discuss ways to reduce the tension still remaining in Lebanon and to help strengthen the authority of the central Lebanese Government.

Note: Deputy Press Secretary Larry M. Speakes read the statement during his morning briefing for reporters, which began in his office at 9:17 a.m.

Remarks to Reporters Announcing Proposed Criminal Justice Reform Legislation

September 13, 1982

The President. I have a statement here, and let me say in advance——

Q. You won't take questions. [*Laughter*]

The President. I won't—I can't.

Q. You never take questions. [*Laughter*]

The President. It's Monday, and I have a very heavy schedule and a meeting waiting for me. But Ed Meese and these gentlemen from the Justice Department are here for a complete briefing of anything, any questions that you may have on this subject.

Since the early days of this administration, we've been working to make America a safer place for all our citizens. Last year we launched the Attorney General's task force on crime. Based on their proposals, we worked with the Senate Judiciary Committee to develop an omnibus anticrime package which revises the bail and parole systems and requires tougher Federal penalties for drug trafficking. The measure also requires a judge to take into account the suffering of the victims when it comes time to sentence a criminal.

The administration has been pushing for enactment of that package, and I hope that the Senate will bring it to a vote in the next several days.

On other fronts, we've appointed a Task Force on Victims of Crime. And that group will begin hearings this week here in Wash-

ington. In the near future, you'll also be hearing more from us about what we can do to stem narcotics crime.

Today, we're sending to the Congress another important installment in our fight against crime. It's a legislative package that I believe offers great hope for improvements in the way that our courts handle criminal cases. These measures will simplify the justice system and make it more likely that those who commit crimes pay a price. The American people want a system of justice they can understand and they can have confidence in. And this is our goal, as well. Working with the Congress, I believe we can deliver a serious blow to the criminal elements in our society.

And ladies and gentlemen of the press, I now turn you over to Ed Meese and these gentlemen from the Justice Department.

Q. Did the Hinckley verdict have anything to do with this crime package?

The President. I said that I wouldn't take any questions. [*Laughter*]

Q. Thank you.

Note: The President spoke at 10:30 a.m. in the Briefing Room at the White House. Following the President's remarks, Counsellor to the President Edwin Meese III and Associate Attorney General Rudolph W. Giuliani and Assistant Attorney General D. Lowell Jensen, Criminal Division, Department of Justice, briefed reporters on the proposed legislation.

Message to the Congress Transmitting Proposed Criminal Justice Reform Legislation

September 13, 1982

To the Congress of the United States:

I am herewith transmitting proposed legislation entitled the Criminal Justice Reform Act of 1982. This Act—plus other proposals now pending in Congress—would strengthen society's defenses against the continuing and pervasive menace of crime.

Crime is clearly one of the most serious problems we face today. Crime—and the fear of crime—affect the lives of most Americans. Government's inability to deal effectively with crime diminishes the public's confidence in our system of government as a whole. Last year alone, one out of every three households in the country fell victim to some form of serious crime. By 1981, according to one survey, nearly eight of ten Americans did not believe that our system of law enforcement discouraged people from committing crimes—a fifty percent increase in just the last fifteen years.

As the threat of crime has become clearer to all Americans, so too has the need for improving our defenses against crime. As my Attorney General said only a few weeks ago:

> "In recent years, through actions by the courts and inaction by Congress, an imbalance has arisen in the scales of justice. The criminal justice system has tilted too decidedly in favor of the rights of the criminal and against the rights of society."

It is time to restore the balance—and to make the law work to protect decent, law-abiding citizens.

To protect the rights of law-abiding citizens, the Administration has previously announced its strong support for a comprehensive law enforcement measure, the Violent Crime and Drug Enforcement Improvements Act of 1982, introduced in the Congress as S. 2572 and H.R. 6497. That important legislative initiative addresses many of our most pressing needs: bail reform, victim-witness protection, strengthened drug penalties, protection of federal officials, sentencing reform, expanded criminal forfeiture, donation of surplus federal property to State and local governments for needed correctional facilities, and a series of miscellaneous improvements in

federal criminal laws.

The attached legislative proposal that I am now submitting would reform three additional areas of federal law affecting the criminal justice system. First, it would limit the insanity defense so that only those who did not have the mental state which is an element of their crime would escape responsibility for their acts. Second, the proposal would reform the exclusionary rule to prevent the suppression of evidence seized by an officer acting in the reasonable, good faith belief that his actions complied with law. Although the argument for retaining the exclusionary rule in any form is, at best, tenuous, this proposal eliminates application of the rule in those cases in which it most clearly has no deterrent effect. Finally, the bill would reform federal habeas corpus review of State adjudications to ensure greater deference to full and fair State judicial proceedings and to limit the time within which habeas corpus proceedings may be initiated. Habeas corpus reform would conserve scarce federal and State judicial and prosecutorial resources.

This new proposal and the Violent Crime and Drug Enforcement Improvements Act of 1982 represent a legislative program to protect all our citizens. These are not partisan initiatives. They are far too important to the Nation's well-being. In my view, they provide the basis for a renewed effort against the menace of crime. They will help restore the balance between the forces of law and the forces of lawlessness. I join with all Americans in urging the Congress to give both these legislative proposals its immediate attention and to begin the process of reclaiming our communities from criminals.

RONALD REAGAN

The White House,
September 13, 1982.

Nomination of Stephen W. Bosworth To Be a Member of the Board of the Panama Canal Commission

September 13, 1982

The President today announced his intention to nominate Stephen W. Bosworth to be a member of the Board of the Panama Canal Commission. He would succeed John Alden Bushnell.

Mr. Bosworth has been serving as Deputy Assistant Secretary for Inter-American Affairs at the Department of State since 1981. He served as United States Ambassador to the Republic of Tunisia in 1979–1981. He was Deputy Assistant Secretary for International Resources and Food Policy in the Bureau of Economic and Business Affairs in 1976. He was previously Director of the Office of Fuels and Energy in the Department of State.

Mr. Bosworth joined the Department of State in 1961. His overseas assignments include service as vice consul at the American Embassy in Panama (1962–1963); principal officer at the American Consulate in Colón, Panama (1963–1964); economic officer at the American Embassy in Madrid, Spain (1967–1971); and economic officer at the American Embassy in Paris, France (1971–1974). He also served as Panama desk officer at the Department of State in 1964–1966.

He graduated from Dartmouth College (B.A., 1961). He is married, has two children, and resides in Washington, D.C. He was born December 4, 1939.

Nomination of Everett Ellis Briggs To Be United States Ambassador to Panama

September 13, 1982

The President today announced his intention to nominate Everett Ellis Briggs to be Ambassador to Panama. He would succeed Ambler Holmes Moss.

In 1956 Mr. Briggs entered the Foreign Service as an international relations officer in the Bureau of Inter-American Affairs in the Department. In 1958–1960 he was political officer in La Paz. He attended German language training at the Foreign Service Institute in 1960–1961. He was staff assistant in Berlin (1961–1963), and political officer in Lisbon (1963–1967). In the Department, he was international relations officer in the Bureau of International Organization Affairs (1967–1969), and desk officer for Portugal in the Bureau of European Affairs (1969–1971). He attended the National War College in 1971–1972. In 1972–1974 he was principal officer in Luanda. He was Deputy Chief of Mission in Asuncion (1974–1978) and in Bogotá (1978–1979). In the Department, he was Director of Mexican Affairs in the Bureau of Inter-American Affairs in 1979–1981 and since 1981 has been Deputy Assistant Secretary of State for Inter-American Affairs.

He graduated from Dartmouth College (A.B., 1956) and George Washington University (M.S., 1972). His foreign languages are Spanish, German, and Portuguese. He is married, has five children, and resides in Bethesda, Md. He was born April 6, 1934.

Appointment of Edmund Stohr as United States Representative on the Council of the International Civil Aviation Organization

September 13, 1982

The President today announced his intention to appoint Edmund Stohr to be the Representative of the United States on the Council of the International Civil Aviation Organization. He would succeed John E. Downs.

Mr. Stohr has been serving as director for agency and industry relations at the Air Transport Association of America since 1981. He has been in aviation for 40 years, 5 years with the United States Air Force and 35 years in a variety of staff and management positions with United Airlines. He was vice president of United Airlines for industry affairs. He was European director, United Airlines, in 1956–1961 and 1964–1970. He was sales manager for United in 1961–1964 and international sales manager in 1965.

Mr. Stohr graduated from the University of Illinois (B.S., 1941). He is married and resides in Palatine, Ill. He was born February 5, 1918.

Message to the Congress Proposing Additions to the National Wild and Scenic Rivers and National Wilderness Preservation Systems

September 13, 1982

To the Congress of the United States:

One of the greatest challenges facing our Nation is to make careful and wise use of our natural resources. At the same time, we must protect other national treasures—wild, free-flowing rivers and wilderness areas—for this and future generations to enjoy in their natural, undeveloped state.

To further this effort and pursuant to the

Wild and Scenic Rivers Act of 1968 and the Wilderness Act of 1964, I am today proposing, at the recommendation of the Secretary of Agriculture and the Secretary of the Interior, eight additions to the National Wild and Scenic Rivers System and three additions to the National Wilderness Preservation System. These additions total some 245 miles of rivers and over 21,000 acres of wilderness.

Briefly described, the proposed additions to the Rivers System are:

(1) The Clarks Fork of the Yellowstone River, Wyoming—21.5 miles of the river in the Shoshone National Forest.
(2) The Elk River, Colorado—29 miles of the river in the Routt National Forest.
(3) The Conejos River, Colorado—36.8 miles of the river in the Rio Grande National Forest.
(4) The Los Pinos River, Colorado—54 miles of the river in the Weminuche Wilderness, San Juan National Forest.
(5) The Verde River, Arizona—39.5 miles of the river in the Prescott, Coconino, and Tonto National Forests.
(6) The Au Sable River, Michigan—23 miles of the river in the Huron Manistee National Forest.
(7) The Snake River, Wyoming—13 miles of the river in the Bridger-Teton National Forest.
(8) The Piedra River, Colorado—28.4 miles of the river in the San Juan National Forest.

The comprehensive bill that I am transmitting today to add these rivers to the System will also make changes to the Wild and Scenic Rivers Act to enhance our ability to manage such rivers efficiently and effectively.

In addition, I am transmitting three legislative proposals to designate the following areas as additions to the Wilderness System:

(1) The Spruce Creek addition to the Hunter-Fryingpan Wilderness, Colorado—the 8,000-acre Spruce Creek Wilderness Study Area, to be added to this Wilderness in the White River National Forest. The area offers outstanding opportunities for solitude and backcountry recreation.
(2) The Paddy Creek area, Missouri—6,728 acres in the Mark Twain National Forest. This area of the Ozarks contains an unusual assortment of rock formations, including caves, crevasses, and fissures.
(3) The Aravaipa Canyon Primitive Area, Arizona—6,670 acres in Graham and Pinal Counties. Aravaipa Creek provides the canyon, which is bordered by high mesa-like cliffs, with lush vegetation and a variety of wildlife that is seldom seen in the surrounding Sonoran Desert.

After reviewing the suitability of three other rivers for possible designation, the Secretary of Agriculture has found them not to be suitable for inclusion in the National Wild and Scenic Rivers System. These include portions of the San Francisco River in Arizona, the Moyie River in Idaho, and the Salt River in Arizona. Finally, after reviewing the Elkhorn Wilderness Study Area in Montana, the Secretary of Agriculture has determined that this area is not suitable for inclusion in the National Wilderness Preservation System.

I am also transmitting to the Congress today letters and reports from the Secretaries of the Interior and Agriculture regarding all of these rivers and wilderness proposals. I concur in all of these recommendations, and urge the Congress to act expeditiously and favorably on the proposed legislation, so that the natural resources of these areas may be protected and preserved.

RONALD REAGAN

The White House,
September 13, 1982.

Proclamation 4964—National P.T.A. Membership Month, 1982
September 13, 1982

By the President of the United States of America

A Proclamation

Our best research shows that both the supportive atmosphere parents create at home and the high expectations of motivated teachers will find positive expression in the academic achievements of students.

Within our parent-teacher associations across the Nation, the combined concern of parents and teachers focuses on encouraging excellence in the education of our children. The National Parent Teacher Association, representing over twenty-nine thousand State and local units with more than six million active members, is a volunteer organization that has made substantial contributions to that goal. The ultimate beneficiary is the Nation itself, through enhanced student achievement and a citizenry better prepared for its future.

In recognition of the important contributions made by the National P.T.A., the Congress by joint resolution (Public Law 97-154) has requested the President to issue an appropriate proclamation recognizing October 1982 as "National P.T.A. Membership Month."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the month of October 1982 as "National P.T.A. Membership Month." I invite the Governors of the States and the Commonwealth of Puerto Rico, the officials of other areas subject to the jurisdiction of the United States, and the American people to join me in recognizing and encouraging the efforts of the National P.T.A. on behalf of our children, and to observe such month with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this 13th. day of Sept. in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 4:24 p.m., September 13, 1982*]

Proclamation 4965—National Employ the Handicapped Week, 1982
September 13, 1982

By the President of the United States of America

A Proclamation

People throughout our country are working to increase education, training, employment, accessible housing, and recreational opportunities for our disabled citizens.

Of these objectives, employment is one of the most important. To lead more successful lives, disabled Americans must be part of the work force. Progress has been made; many more employers are hiring these quality workers. These employers are part of the growing number who realize they are not "giving" someone a job, but increasing the value of their company or business by hiring a dedicated, skilled employee.

Despite these advances, employment of disabled men and women lags behind that of the general working-age population. There is an urgent need for the private sector to take the lead in offering jobs that provide individual dignity and enable disabled men and women to support their families. There is also a need for state and local governments to employ fresh approaches and renewed energy in cooperation with the private sector to expand handicapped employment opportunities, and for the Federal government to streamline regulations in order to afford maximum

benefit for handicapped persons with a minimum of administrative burden.

We need to affirm the dignity and worth of all people in our society, whether or not they suffer from physical or mental disabilities, and we must firmly reject attitudes that deny the worth of handicapped individuals.

Congress has called for the designation of the first full week in October each year as National Employ the Handicapped Week (36 U.S.C. 155). This special week is a time for all Americans to renew our dedication to meeting the goal of increased opportunities for disabled citizens.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate the week beginning October 3, 1982, as National Employ the Handicapped Week.

I urge all governors, mayors, other public officials, leaders in business and labor, and private citizens to help meet the challenge of the future by ensuring that disabled people have the opportunity to participate fully in the economic life of the Nation.

In Witness Whereof, I have hereunto set my hand this 13th. day of Sept., in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 4:25 p.m., September 13, 1982*]

Proclamation 4966—National Hospice Week, 1982

September 13, 1982

By the President of the United States of America

A Proclamation

The hospice concept is rapidly becoming a part of the Nation's health care system. To direct the Nation's attention to the value of hospice care, the Congress, by joint resolution approved May 24, 1982 (S.J. Res. 170, Public Law 97-182), requested that the President proclaim the week of November 7 through November 14, 1982, as National Hospice Week.

Hospice provides a humanitarian way for a terminally ill patient tc approach death with dignity, in relative comfort in a supportive atmosphere, and surrounded by family members. Its most important element is concern for patients and their families. Hospice advocates personal care and concern, living comfortably until death, the absence of pain, maintenance of personal control, and the close fellowship of the family unit.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning November 7, 1982, as National Hospice Week. I urge all citizens, government agencies, the medical community, and appropriate private organizations to observe the week with forums, programs, and activities designed to encourage national recognition and support for the hospice care concept.

In Witness Whereof, I have hereunto set my hand this 13th. day of Sept, in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 4:37 p.m., September 13, 1982*]

Proclamation 4967—American Education Week, 1982
September 13, 1982

By the President of the United States of America

A Proclamation

The wisdom and foresight of our Founding Fathers set in motion the greatness of America and the personal liberties we enjoy today. These blessings have thrived because of the value succeeding generations have placed on knowledge and education. For this reason alone, few matters are as critical to the future of our country than the continued success of our educational system.

Part of our national strength is the fact that parents have the right to oversee their children's education. While our states provide public schools and state and local educators assist parents in achieving educational goals, it is clearly the right and duty of parents to supervise these functions. Our tax system should ensure that effective parental choice in education is not the preserve of only the wealthy.

The timely theme for American Education Week this year is "A Strong Nation Needs Strong Schools." Every American should take this theme to heart and give renewed support to our schools, be they public, private, or synagogue or church-affiliated. Strong community support results in effective schools. Effective schools help assure that our democratic society will flourish.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate the week beginning November 14, 1982, and the second week of November of each succeeding year, as American Education Week.

In Witness Whereof, I have hereunto set my hand this 13th. day of Sept., in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 4:38 p.m., September 13, 1982*]

Executive Order 12382—President's National Security Telecommunications Advisory Committee
September 13, 1982

By the authority vested in me as President by the Constitution of the United States of America, and in order to establish, in accordance with the provisions of the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), an advisory committee on National Security Telecommunications, it is hereby ordered as follows:

Section 1. Establishment. (a) There is established the President's National Security Telecommunications Advisory Committee which shall be composed of no more than 30 members. These members shall have particular knowledge and expertise in the field of telecommunications and represent elements of the Nation's telecommunications industry. Members of the Committee shall be appointed by the President.

(b) The President shall annually designate a Chairman and a Vice Chairman from among the members of the Committee.

(c) To assist the Committee in carrying out its functions, the Committee may establish appropriate subcommittees or working groups composed, in whole or in part, of individuals who are not members of the Committee.

Sec. 2. Functions. (a) The Committee shall provide to the President, among other things, information and advice from the perspective of the telecommunications industry with respect to the implementation

of Presidential Directive 53 (PD/NSC–53), National Security Telecommunications Policy.

(b) The Committee shall provide information and advice to the President regarding the feasibility of implementing specific measures to improve the telecommunications aspects of our national security posture.

(c) The Committee shall provide technical information and advice in the identification and solution of problems which the Committee considers will affect national security telecommunications capability.

(d) In the performance of its advisory duties, the Committee shall conduct reviews and assessments of the effectiveness of the implementation of PD/NSC–53, National Security Telecommunications Policy.

(e) The Committee shall periodically report on matters in this Section to the President and to the Secretary of Defense in his capacity as Executive Agent for the National Communications System.

Sec. 3. Administration. (a) The heads of Executive agencies shall, to the extent permitted by law, provide the Committee such information with respect to national security telecommunications matters as it may require for the purpose of carrying out its functions. Information supplied to the Committee shall not, to the extent permitted by law, be available for public inspection.

(b) Members of the Committee shall serve without any compensation for their work on the Committee. However, to the extent permitted by law, they shall be entitled to travel expenses, including per diem in lieu of subsistence.

(c) Any expenses of the Committee shall, to the extent permitted by law, be paid from funds available to the Secretary of Defense.

Sec. 4. General. (a) Notwithstanding any other Executive Order, the functions of the President under the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), except that of reporting annually to the Congress, which are applicable to the Committee, shall be performed by the Secretary of Defense, in accord with guidelines and procedures established by the Administrator of General Services.

(b) In accordance with the Federal Advisory Committee Act, as amended, the Committee shall terminate on December 31, 1982, unless sooner extended.

RONALD REAGAN

The White House,
September 13, 1982.

[*Filed with the Office of the Federal Register, 4:39 p.m., September 13, 1982*]

Remarks by Telephone to Eagle Scout Award Recipient Alexander M. Holsinger

September 14, 1982

The President. Alex?

Mr. Holsinger. This is Alex Holsinger.

The President. Well, this is Ronald Reagan. And, Alex, I'm kind of familiar with the place where you are right now. I played football a few times there in Bloomington against Illinois Wesleyan a long time ago. But now as honorary president of the Boy Scouts of America, it's a pleasure to join with all those gathered in Bloomington today to congratulate you on becoming the 1 millionth Eagle Scout in our nation's history.

Mr. Holsinger. Thank you very much, sir.

The President. Well, listen, this accomplishment not only represents a major achievement in your own life, but it also demonstrates the important contribution that scouting continues to provide to so many young people. You, I know, must be very proud. And, indeed, you should be very proud of this outstanding honor, as I'm sure your parents and your friends are.

Mr. Holsinger. Yes, we are, sir.

The President. Well, your hard work and high ideals have carried you on a successful

journey through the ranks of scouting. And along the way, I know you've learned many valuable lessons and have built a framework on which to constructively lead the rest of your life.

You've joined an elite group of scouts, too, because some of them are close associates of mine—former President Gerald Ford; Secretary of Health and Human Services in this administration, Richard Schweiker; Secretary of Housing and Urban Development Samuel Pierce; and our good friend, Jim Brady.

Your accomplishments in scouting are, indeed, something to be very proud of. And I join you in extending my congratulations and best wishes for many more prospective years to come.

Mr. Holsinger. Thank you, sir.

The President. Well, it's been a pleasure to be able to participate even from long distance in what's going on. So please give my best to your family and friends. And again, to you, congratulations.

Mr. Holsinger. Thank you, sir. I will, sir.

The President. All right. Goodby.

Mr. Holsinger. Goodby, sir.

Note: The President spoke by telephone from the Oval Office at 11:16 a.m. Mr. Holsinger was in Bloomington, Ill., at a press conference to announce the 1 millionth Eagle Award recipient.

The Eagle Award is the Boy Scouts' top advancement award and has been earned by only 2.5 percent of those young men who enroll. It was first awarded in 1912. Alex Holsinger is an eighth grade honor student from Normal, Ill. For his service project, a part of the Eagle Award requirements, he directed the restoration of an abandoned and historic cemetery in Shirley, Ill.

Nomination of Richard T. Kennedy To Be United States Ambassador at Large

September 14, 1982

The President today announced his intention to nominate Richard T. Kennedy to be Ambassador at Large. Mr. Kennedy will serve as Special Adviser to the Secretary of State on Nonproliferation Policy and Nuclear Energy Affairs and will coordinate and direct U.S. nonproliferation efforts. Mr. Kennedy will continue as the United States Representative to the International Atomic Energy Agency (IAEA), to which he was nominated by President Reagan and confirmed by the Senate on July 24, 1981.

Mr. Kennedy was appointed as the Under Secretary of State for Management on February 28, 1981. Prior to that appointment, he was Commissioner of the Nuclear Regulatory Commission from 1975–1980 and was appointed by the President as Alternate Delegate to the General Conference of the IAEA in 1975 and 1977. Mr. Kennedy served as the Deputy Assistant to the President for National Security Council Planning from 1969–1975, which succeeded his service as Director, Africa Region, International Security Affairs, Department of Defense.

Mr. Kennedy served for 30 years in the United States Army, retiring in 1971 with the rank of colonel. On the Army General Staff, he was concerned with the National Communications System, DOD and Army organization, and NATO affairs. He was awarded the Distinguished Service Medal, the Legion of Merit, and the Bronze Star.

Mr. Kennedy received his B.A. degree in economics from the University of Rochester and holds an M.B.A., with distinction, from the Harvard Graduate School of Business Administration. He also attended the National War College and the U.S. Army Command & General Staff College. He is married to the former Jean Martin.

Nomination of Jerome W. Van Gorkom To Be an Under Secretary of State

September 14, 1982

The President today announced his intention to nominate Jerome W. Van Gorkom to be Under Secretary of State for Management. He would succeed Richard T. Kennedy who has been named to be Ambassador at Large.

Mr. Van Gorkom is the former chief executive officer of Trans Union Corp., a position he occupied for 18 years. Mr. Van Gorkom is a director of the Schering-Plough Corp., Champion International Corp., I.C. Industries, and other corporations.

Mr. Van Gorkom served with the United States Navy from 1941 to 1945, following which he was an associate of the law firm of Kix, Miller, Baar & Morris in Chicago from 1945 to 1947. From 1947 to 1954, he was an accountant in the firm of Arthur Andersen & Co., and a partner in the firm from 1954 to 1956.

Mr. Van Gorkom is the chairman of the board of the Lyric Opera of Chicago. He received his B.S. degree in 1939 and his J.D. in 1941, both from the University of Illinois. He is married to the former Betty Jean Alexander and has two children.

Remarks and a Question-and-Answer Session on Proposed Tuition Tax Credit Legislation With Editors of Religious Publications

September 14, 1982

Mr. Meese.[1] Mr. President, we've just been having a discussion that's kind of a follow-on to your speech in Kansas on American values, and we've discussed some of the legislative issues that are related to those values. So, you might want to say a few words yourself on the subject.

The President. Well, all right. Yes, I will. I think my timing is terrible, though. As an after-lunch and after-dinner speaker, I can tell you that one of the great hazards that always drives me up the wall—I happen to be a dessert man myself. [*Laughter*] And usually I hear the toastmaster introducing me just as they're putting the dessert in front of me, and I have to get up and walk away from it. [*Laughter*] I feel as if I've done that to you. But go ahead and, please, go ahead and eat while we're talking.

I'm delighted that you're all here, and I know that you've been briefed and had a briefing on the subject of our legislation for tuition tax credits. And I expect to make another strike and try for a breakthrough in that today and hope to get it out of the Senate committee and onto the floor, because I'll be meeting very shortly with Senators Dole and Moynihan and Roth and Packwood on this particular subject.

I know there's been a lot of debate and discussion about the issue. I doubt if there's much opposition among you—I hope not—to this idea. I don't know whether Ed or Karna[2] told you about a survey that we've just come across, research done in 54 parochial schools, that found with regard to—I say this as an answer to those people that, again, have just automatically tagged this proposal as "something for the rich." All they think of when they think of private—that's why I try to avoid the word "private" school. I try to refer to it as "independent" school, because all they think about is someone sending a child to a high-class, expensive finishing school or prep school. And that isn't true. That isn't what we're really

[1] *Edwin Meese III, Counsellor to the President.*

[2] *Karna Small Stringer, Deputy Assistant to the President and Director of Media Relations and Planning.*

talking about. There are so few of those compared to the general parochial schools, independent schools, throughout the country.

But in this survey of 54 schools, they found 56 percent in these parochial schools of the student body were black; 31 percent of those were Protestant. Now, I know there are Protestant schools represented here as well as the Catholic schools. But what they also learned was—and the parents, incidentally, of most of these children, the overwhelming majority, are not anywhere up on the economic scale. As a matter of fact, the average tuition of those schools worked out to $300. That was a true hardship at the economic level of the parents who, wanting something better for their children, as parents have from time immemorial, and wanting the best education they could provide for them, were willing to sacrifice and pay a tuition to a private school because they no longer had confidence in the public schools in their areas, that they could get the training that they would need to advance. And they found that it was not religion that had prompted the overwhelming majority to choose a religious school, whether Protestant or Catholic; it was the desire and the belief that they would get a better education there than they could get in the present-day public schools.

Now, I'm a product of the public schools, myself, in a small town in Illinois. But I believe all of us are aware that there have been changes. I happen to believe that as long as there is independent education in this country, all the way from the lowest grade on up through college and university, then we have academic freedom. I would hate to see the day when all education in our country was tax-supported and, therefore, under political guidance and rule. And I think, also, the best chance to improve the quality of education—which on the record has very definitely established that in public schools, under whatever pressures or crowding or whatever, has slumped in comparison to the schools that we're talking about—the best chance we have of raising that level is through competition.

So, we're going to do everything we can. I believe heart and soul and campaigned on this issue. The fairness of it—the fact that families are paying their full share of the taxes to support the public school system and are still willing to sacrifice on top of that and pay fully the cost for sending their child—there's no way that this can be construed, as some are trying to do, as an assault on the public schools, or that in any way it is taking anything away from the support of the public schools. And if anyone wants to do a little arithmetic, let them sit down and figure out if these independent schools disappeared tomorrow, and the public schools had to pick up the burden of all of the students presently being educated in these other schools, what would happen to the taxes of everyone? Where would the public facilities come from—school facilities?

So, I've gone on longer than I wanted. If someone here had just—I know I've only got a second or two before I've got to cross the hall. But if there was a question or two that hasn't been answered in the briefing, or that you'd like to throw at me just because I'm here, fire away.

Q. Mr. President, about the issue of a compromise that you're going to be working out this afternoon with some people from the Finance Committee, doesn't the issue hinge on segregation? And what kinds of provisions would be acceptable to you for you to strengthen the bill to satisfy some of its critics?

The President. Well, I have to believe that since this will be a tax credit, and by the government, I have to believe that, obviously, such schools would have to meet the standards of integration and be open to all. And I haven't seen any evidence that that isn't already taking place. The figures that I just gave a moment ago ensure that that's taking place in the schools that we're talking about.

Q. Well, Mr. President, don't you think this could be attacked as somewhat of a band-aid approach to education? Shouldn't your administration be trying to upgrade the quality of public education?

The President. Well, of course, public education is not a function of the Federal Government. There is financial aid in recent years to some of these schools. And,

as a matter of fact, being able to remember when that began, it was the usual thing of the Federal Government claiming that there was distress after the Federal Government had usurped most of the tax sources in the country. And, having created the problem, then, for local rule, the Federal Government said, "Oh, we must help you." And in the beginning educators opposed that, because they thought that it would interfere with academic freedom. And the Federal Government insisted, "Oh, no." It just wanted to help them out financially.

I remember on one occasion—Francis Kepple was the Director of Education at the time at the Federal level, and he said they had absolutely no intention of interfering in any way. And some of the educators who were debating this issue had proposed a tax credit idea of contributions to schools, whether public or independent, of a certain amount, and said let the government—they'd know better—set the amount. And wouldn't this be direct aid, then, financially?—a tax credit for a contribution to a school, whether public or private, keeping open the competitive idea. And why wouldn't such a thing work? And after days and days of debate, Mr. Kepple gave away more than he'd intended. He suddenly grew impatient, and he blurted out, "Well, under such a system we couldn't achieve our social objectives." This was from the man that had said there wouldn't be any government social objectives, there would just be financial aid.

No, I think the Federal Government has done what it can to ensure that in the running of the public schools, they must live up to our Constitution, which they did not always do, as we know, and some years ago there had to be some rather drastic action to bring that about. That is the function of the Federal Government—to ensure that anyone's constitutional rights are being observed and to go wherever the government has to go to see that that does take place.

If you look at some of the figures in the public school system in recent years, you will find that the Federal Government has more than matched its financial aid with interference in the running of schools. And I believe that this is what has led to the deterioration of quality; that the Federal Government has imposed out of all proportion—I think the Federal Government puts up about 8 percent of the cost of public education, but it interferes far more than 8 percent in the things that it imposes and demands of the public schools.

Mr. Gergen.[3] Mr. President? Sir, you have a 1 o'clock appointment.

The President. Oh, all right. Well, there was one hand down here that—Father?

Q. Mr. President, what is your assessment of the possibility in the country for a human life amendment, an antiabortion amendment of any type to the Constitution?

The President. Well, the one that is presently being blocked by a filibuster I know has been in a sense cluttered up with a lot of extra and extraneous other resolutions, which have weakened support for it, and probably is one of the reasons that we're apparently not able to get cloture to shut off the filibuster. If that continues, then the only outcome can be for the leader of the Senate to table that particular amendment, which then opens the floor for several others that are waiting on that same subject.

My own feeling is I'm going to fight as long and hard as I can. And what I said in Philadelphia recently about that—I've been a little critical sometimes to myself, not openly, about some of the human life groups, because, first of all, they have not rallied behind a single measure. They've been divided behind these several—in support of these various, several members, and that's what's kept us from bringing this to the floor and getting a determination.

But the other thing is I have wished that they could center on a much more simple approach. And I tried this out in speaking to the Knights of Columbus in Philadelphia. We've had extensive hearings in the Senate to determine, "when does life begin?"—and great expert testimony given by people of conflicting views on that. But the upshot was no real firm decision as to when life begins. And I think that, in itself, was a decision. If you cannot determine when life begins, then doesn't simple morality dictate

[3] *David R. Gergen, Assistant to the President for Communications.*

that you opt for the fact that it is alive until and unless someone can prove it dead?

If we came upon a body in the street that was unconscious, and we weren't sure whether it was unconscious or dead, we wouldn't say, "Let's bury it." We'd wait until someone assured us that it wasn't alive.

And I think the same thing goes of the unborn child. I happen to believe the unborn child is a living human being. I think the fact that children have been prematurely born, even down to the 3-month stage, and have lived to—the record shows—to grow up and be normal human beings, that ought to be enough for all of us. And I just don't think there's anything other than self-protection, the protection of the mother's life, that justifies taking of a human life. We condone it in self-defense. We can condone it in no other way. And I'm going to—I intend to fight it out in that line if it takes all—[*laughing*]—all 4 years.

Mr. Gergen. Thanks very much, Mr. President.

Q. Thank you, sir.

The President. Thank you, again, for being here.

Note: The President spoke at 12:50 p.m. in the Roosevelt Room at the White House.

Message to the Senate Transmitting the United States-Australia Convention on Taxation and Fiscal Evasion

September 14, 1982

To the Senate of the United States:

I transmit herewith, for Senate advice and consent to ratification, the Convention between the Government of the United States of America and the Government of Australia for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income signed at Sydney on August 6, 1982. I also transmit the report of the Department of State on the Convention.

The Convention, based on the OECD and draft United States model income tax conventions, takes into account changes in the income tax laws and tax treaty policies of the two countries. It provides limits on the tax at source with respect to taxes on investment income and provides rules for the taxation of capital gains, business profits, personal service income and other income. It also specifies the method used to avoid double taxation and provides for administrative cooperation between the tax officials of the two countries to avoid double taxation and prevent fiscal evasion.

I recommend that the Senate give early and favorable consideration to the Convention and give advice and consent to its ratification.

RONALD REAGAN

The White House,
September 14, 1982.

Statement by Deputy Press Secretary Speakes on the Combined Federal Campaign

September 14, 1982

The President today asked Federal workers in the National Capital area to join wholeheartedly in supporting the Combined Federal Campaign to support nearly 300 private, voluntary health and welfare organizations.

The President urged Cabinet officers and agency heads to actively support the 22,000

key workers who will be contacting fellow employees during the CFC.

Drew Lewis, Secretary of Transportation and Chairman of the Combined Federal Campaign in the Washington area, will kick off the drive on September 28 at a meeting to be attended by more than a thousand Federal employees, ranking administration officials, and government labor union leaders.

The goal of the CFC in the Capital area is $15.8 million, $2 million more than last year. More than 50 additional voluntary agencies are participating this year for the first time.

The President noted that he had encouraged corporations, civic groups, and philanthropic, religious, and voluntary organizations to increase their involvement in meeting community needs. He said the CFC is an opportunity to put these practices into effect and help all Americans become less dependent on government and more reliant on private initiatives.

The President endorsed the 1982 CFC drive in a meeting at the White House, where he was joined by Chairman Lewis.

Note: During the meeting in the Oval Office with Secretary Lewis, the President signed a "kick-off" pledge card and made a donation to the CFC. Other participants in the meeting included Donald J. Devine, Director of the Office of Personnel Management; Edwin W. Pfeiffer, president of the United Way of the National Capital Area and vice president and general manager of WDVM-TV; Michael A. Brunner, 1982 general campaign chairman, United Way of the National Capital Area; Robert E. Allen, vice chairman of the United Way of the National Capital Area and president of the C & P Telephone Co.; Dr. Calvin W. Rolark, president of the United Black Fund of Greater Washington; and William A. Schaeffler, director of the Combined Federal Campaign of the National Capital Area.

Proclamation 4968—Child Health Day, 1982

September 14, 1982

By the President of the United States of America

A Proclamation

There is no better way for this Nation to invest in its future than by fostering the health of its children. We can best do this by encouraging children to develop good health habits and attitudes and by giving them the protection of immunization. Good health habits and practices begun in childhood are the prelude to positive health throughout life.

Healthy children foreshadow vigorous adults whose communities will benefit from their energy and productivity. All of us should know how the personal choices we make can help prevent disease and promote good health and to transfer this knowledge to our children. By working together, parents, schools, private and voluntary organizations, and government can effect a beneficial and lasting change in the health of our Nation and the lives of our children.

Now, Therefore, I, Ronald Reagan, President of the United States of America, pursuant to a joint resolution of May 18, 1928, as amended (36 U.S.C. 143), do hereby proclaim Monday, October 4, 1982, as Child Health Day.

I urge all Americans to join me in encouraging good health habits and attitudes in our children and call upon all citizens to observe Child Health Day with appropriate activities directed toward establishing such practices in the youth of our Country.

In Witness Whereof, I have hereunto set my hand this 14th day of Sept. in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 11:07 a.m., September 15, 1982*]

Statement on the Death of Princess Grace of Monaco
September 14, 1982

Nancy and I were shocked and deeply saddened to learn of the tragic and untimely death of Her Serene Highness, Princess Grace of Monaco. Princess Grace was deeply loved by the people of Monaco because she was a compassionate and gentle lady who had a deep and abiding affection for her adopted country and people. As an American, Princess Grace brought character and elegance to the performing arts and always found time to make important contributions to her craft.

The Principality of Monaco and the world community have suffered a great loss. To the people of Monaco and to the Royal Family, we extend our deepest sympathy.

Note: Princess Grace, the former Grace Kelly, died on September 14 from injuries sustained in a car accident in Monaco the previous day.

On September 16, the White House released the following announcement concerning the U.S. Delegation to the funeral services:

President Reagan today designated Nancy Reagan to lead the United States Delegation to the funeral services for Her Serene Highness, Princess Grace of Monaco, a cherished friend of the First Lady's for many years.

Also named to the Delegation were: the Honorable Richard Thornburg, Governor of Pennsylvania; the Honorable John Lehman, Secretary of the Navy; the Honorable Evan Galbraith, United States Ambassador to France; the Honorable Tom Foglietta, Congressman from Pennsylvania; and Jacklyn Anne Cahill, State Department Officer in charge of French and Monacan Affairs.

The Delegation will leave the United States Friday, September 17, and return from Monaco following the services the next day, September 18.

Statement on the Assassination of President-elect Bashir Gemayel of Lebanon
September 14, 1982

The news of the cowardly assassination of Bashir Gemayel, President-elect of Lebanon, is a shock to the American people and to civilized men and women everywhere. This promising young leader had brought the light of hope to Lebanon. We condemn the perpetrators of this heinous crime against Lebanon and against the cause of peace in the Middle East. Our deepest sympathy goes to Mrs. Bashir Gemayel and their son, the entire Gemayel family, to President Ilyas Sarkis, to his government, and to the people of Lebanon. We join with them in mourning.

The tragedy will be all the greater if men of good will in Lebanon and in countries friendly to Lebanon permit disorder to continue in this war-torn country. This must not happen. The United States Government stands by Lebanon with its full support in this hour of need.

Note: President-elect Gemayel was killed by a bomb explosion at his Beirut headquarters.

Proclamation 4969—General Pulaski Memorial Day, 1982
September 14, 1982

By the President of the United States of America

A Proclamation

Two hundred and three years ago the Polish and American patriot General Casimir Pulaski fell at the battle of Savannah while fighting for the principles of freedom and equality in our young Nation's struggle for independence. His example of dedication to democratic ideals has provided continuing inspiration to all of us. His name and deeds remain alive in the hearts of the Polish people, never more so than in this difficult time when so many of their basic rights are being denied to them.

In remembrance of General Pulaski's heroic sacrifice and his dedication to the ideals of freedom, we pay tribute to him and to the Polish nation of which he was such an esteemed son. In doing so, we also honor the contributions made by generations of Polish-Americans to the greatness of America.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate Monday, October 11, 1982, as General Pulaski Memorial Day, and I direct the appropriate Government officials to display the flag of the United States on all Government buildings on that day.

In Witness Whereof, I have hereunto set my hand this 14th day of Sept., in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 12:20 p.m., September 15, 1982*]

Note: The text of the proclamation was released by the Office of the Press Secretary on September 15.

Proclamation 4970—United Nations Day, 1982
September 14, 1982

By the President of the United States of America

A Proclamation

The United Nations was born out of the massive human suffering and destruction caused by the Second World War. From the outset, the United States, one of the principal architects and founders of the United Nations, has worked to make it a forum for debate among all peace-loving nations and to support its purpose of preventing war and conflict through conciliation and cooperation. Because that goal has not been fully achieved and because the U.N. has been misused, today's world is too often fraught with strife, division, and conflict. But, despite the abuse and shortcomings, the United Nations can still be instrumental in facilitating and overseeing agreements to end conflict, in providing a center for reducing tensions through dialogue and debate, and in addressing the problems of underdevelopment which can spur conflict.

Americans can take pride in having provided significant moral, political, and financial support for the United Nations since its inception. That support will be maintained and the United States will continue to play a prominent role in the organization, using it to champion the values and ideals which underlie our own society and which originally helped to inspire the formation of the United Nations.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate Sunday, October 24, 1982, as United Nations Day. On this day I urge

all Americans to better acquaint themselves with the activities and accomplishments of the United Nations.

I have appointed Robert Anderson to serve as 1982 United States National Chairman for United Nations Day and welcome the role of the United Nations Association of the United States of America in working with him to celebrate this special day.

In Witness Whereof, I have hereunto set my hand this 14th day of Sept., in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 12:21 p.m., September 15, 1982*]

Note: The text of the proclamation was released by the Office of the Press Secretary on September 15.

Proclamation 4971—National Disabled Veterans Week, 1982
September 14, 1982

By the President of the United States of America

A Proclamation

As we strive to improve our military preparedness to further our goals of a lasting peace and freedom, we look for special inspiration to our disabled veterans who have so nobly sacrificed for these ideals. Few others have so fully demonstrated great courage or endured such hardships for their country and the cause of liberty.

All Americans owe a great debt of gratitude to the over two million service-disabled veterans. The immense personal adversity suffered by these our fellow countrymen is incalculable in terms of diminished health, lost career opportunities, and restricted personal fulfillment. We are also keenly aware of the substantial tragedy these injuries pose for the families of these veterans who, along with their loved ones, must shoulder the weight of this burden.

The important contributions to the national welfare made by these gallant men and women, not only in their military service but also in their later civilian activities, are a source of pride and admiration to each of us and serve as an illuminating lesson in valor and fortitude.

It is most fitting that Congress has chosen to recognize this record of distinguished service, courage, and accomplishment through passage of a joint resolution authorizing designation of "National Disabled Veterans Week."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate the week beginning November 7, 1982, as National Disabled Veterans Week. I call upon all Americans to join in honoring those who have given so much in the defense of freedom. I ask Government agencies at all levels, and private organizations and individuals to observe this week with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this 14th day of Sept., in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 12:22 p.m., September 15, 1982*]

Note: The text of the proclamation was released by the Office of the Press Secretary on September 15.

Statement by Deputy Press Secretary Speakes on the Situation in Lebanon

September 15, 1982

This latest violent tragedy only reemphasizes the need for urgency in the search for peace in the Middle East. The United States intends to continue to press ahead vigorously with the President's initiative to broaden the participation at the peace talks.

We have been in frequent touch with senior officials of the Government of Lebanon and with other prominent Lebanese personalities. Our support for their efforts to maintain order should be clear. We have also contacted Israeli officials in Beirut, Washington, and in Israel. They told us that their military moves are limited and precautionary. We have urged they do nothing to increase tensions.

The central Government of Lebanon remains in place. We will be consulting with President Sarkis, Prime Minister Wazzan, and other Lebanese Government officials to explore ways we can support their efforts to maintain stability. We adhere to the goals we share with the Government of Lebanon of internal unity and withdrawal of all foreign forces.

While we deplore the shocking assassination of President-elect Gemayel[1], it is essential that we not lose sight of these important objectives which Lebanon has set for itself. The restoration of central government authority remains key to Lebanon's future. We will do everything we can to assist this process through this difficult period in the country's history. Ambassador Draper has the full support of the President and will continue to work closely with the Government of Lebanon in pursuit of its objectives. Those objectives parallel our own support for: the withdrawal of all foreign military forces from Lebanon; the strengthening of the central government and the reestablishment of its authority throughout Lebanon; the creation of conditions which ensure that Lebanon will never again be a launching pad for attacks against Israel; and the promotion of national unity and reconciliation, along with strengthening of all national institutions, including the army.

Note: Deputy Press Secretary Larry M. Speakes read the statement during his morning briefing for reporters, which began in his office at 9:15 a.m.

Nomination of Victor Blanco To Be a Member of the Board of Directors of the Inter-American Foundation, and Designation as Chairman

September 15, 1982

The President today announced his intention to nominate Victor Blanco to be a member of the Board of Directors of the Inter-American Foundation for a term expiring September 20, 1988. He would succeed Peter Taylor Jones. The President also announced his intention to designate Mr. Blanco as Chairman upon his appointment.

Mr. Blanco is currently serving as president and chief executive officer of Multiple Medical Management, in Los Angeles, Calif. He was with Abbott Laboratories, in Chicago, Ill., in 1976–1978. In 1963–1976 he was with the Children's Hospital of Los Angeles.

He graduated from La Progresiva De Cardenas, Cuba, with a bachelor of science degree. He also attended the University of

[1] *See the statement on page 1153.*

Havana School of Veterinary Medicine in 1954–1957. He is married, has two children, and resides in Arcadia, Calif. He was born August 26, 1936.

Nomination of L. Clair Nelson To Be a Member of the Federal Mine Safety and Health Review Commission

September 15, 1982

The President today announced his intention to nominate L. Clair Nelson to be a member of the Federal Mine Safety and Health Review Commission for a term of 6 years expiring August 30, 1988. He would succeed Marian Pearlman Nease.

Mr. Nelson is presently serving as senior vice president of Champion International Corp., in Washington, D.C. He was vice president and general counsel, Champion International Corp. (formerly U.S. Plywood-Champion Papers, Inc.) in 1967–1972, and vice president and general counsel, Champion Papers, Inc., in 1955–1967. He was counsel, United States Senate Judiciary Committee, in 1951–1952. Mr. Nelson was in the private practice of law in 1952–1955 and 1948–1951.

He graduated from Utah State University (B.S., 1939) and George Washington University (J.D., 1947). He resides in McLean, Va., and was born June 2, 1918.

Remarks at a White House Ceremony Celebrating Hispanic Heritage Week

September 15, 1982

Thank you very much for coming, and *buenas tardes.* [*Laughter*]

I have to let you in on a little secret here. I'm late, and I apologize for being late. You're never supposed to open your remarks with an apology, but I have to. But I've learned a little secret. If you start the day, as I did today, with a meeting with Members of Congress, you are behind schedule for the rest of the day. [*Laughter*] And it's been that way so far.

But it's a real pleasure to welcome you to the White House. *Mi casa es su casa.* And in this case, this always was *su casa*—[*laughter*]—I'm just a tenant here.

We're delighted to celebrate with you National Hispanic Heritage Week, honoring the many contributions that Hispanic men and women have made to American history. The many Hispanics who've come here as immigrants, as well as those who've been born and raised here, have greatly enriched our culture and given fresh vibrancy to our national life.

One hundred seventy-two years ago tomorrow, a brave Mexican priest named Miguel Hidalgo de Castillo rang the bells in his village church to announce the peoples' desire for freedom. We're told that he didn't live to see his victory. But the sound of those bells still rings today in the hearts of all freedom-loving peoples around the world. I know it rings in your hearts.

American Hispanics are bound by strong ties of language, religion, family, and culture. In your lives, you demonstrate the importance of real work: producing things of real value, building communities of shared values that enrich America and keep us strong and free. You work long and hard to own your homes, your farms, and business enterprises—your piece of America.

And when America's been threatened by dark clouds of war, Hispanics defended our nation with pride and courage. Thirty-seven of them have received the Congressional Medal of Honor, America's highest military

decoration, given only for service above and beyond the call of duty. And this 37 happens to be a greater proportion of such heroes than in any other group.

Just last year, I had an unforgettable experience. I presented Roy Benavidez, former farmboy from Texas, with the Medal of Honor for his exceptional valor and courage in the Vietnam war. Incidentally, on our way over to the Pentagon for that ceremony, he was telling me of the incident. He saved eight wounded men's lives, going under enemy fire to bring them one-by-one to a rescue helicopter. He was shot four times and finally was attacked hand-to-hand by a man with a rifle and a bayonet that he had to fight off, after he put down the wounded man he was carrying. And when we were talking about this—and I think you'll appreciate this—as we were riding over—and when he was attacked by the man with the rifle and bayonet, he said, "I'd been shot four times already." He said, "That's when I got mad." [*Laughter*] And he got mad enough to complete that rescue.

Hispanics bring honor to their country; their country should honor them. In my 8 years as Governor of California, I'm proud to say that I appointed more Hispanics to high positions than any previous Governor in California's history.

We're trying to maintain that position in Washington, or that tradition, with Hispanics playing a major role in our administration since day one. We've already appointed more Hispanic men and women at top-level executive positions, more than 50, than any previous administration.

Three very recent appointments of Hispanics to very significant positions are with us today: Heriberto Herrera of Texas as Deputy Administrator of the Small Business Administration, Raymond L. Acosta as United States District Judge for the District of Puerto Rico, and Victor Blanco of California as Chairman of the Board of the Inter-American Foundation.

With good people, we can have better policies. We can strengthen those shared values of family, neighborhood, work, peace, and freedom, and help *you* make America great again.

Your families feel strongly about the moral values maintained by our country's religious school systems. Our tuition tax credit plan will provide relief to the many Hispanic families who send their children to independent schools, while supporting public schools with their taxes.

Speaking of these moral values, we think it's about time that all American children have the right to begin their days the same way the Members of the United States Congress do—with prayer. So, we're pushing for a constitutional amendment that would permit voluntary prayer in our children's classrooms.

By extending the Voting Rights Act, we've locked in guarantees of full constitutional and political equality for Hispanic Americans. And getting control of runaway government means hard-working Hispanic families can keep more of the money they earn, and the rate of inflation and interest rates can keep heading in the right direction. They're going down, and they're going to stay down.

And finally, a stronger and more stable economy will permit us to be a better neighbor with Mexico and our other friends to the south. I think we've developed a new rapport with Mexico, based on mutual respect, that is better than any time in the history of our two proud nations. I'm also very enthusiastic about our Caribbean Initiative, which will break down trade barriers and provide new incentives for commerce and economic growth.

At the root of everything that we're trying to accomplish is the belief that America has a mission. We are a nation of freedom, living under God, believing all citizens must have the opportunity to grow, create wealth, and build a better life for those who follow. If we live up to those moral values, we can keep the American dream alive for our children and our grandchildren, and America will remain mankind's best hope. With your help, I know we can and we will.

Muchas gracias. Que Dios los bendiga. Thank you very much.

Refreshments await you down there. And I have to do what the little girl, 11-year-old girl said just after I got here when she wrote me a letter and—who's lost a brace-

let? All right. We really are conservative. [*Laughter*]

This little girl gave me a great deal of advice on what to do and how to handle the problems that I would meet—11 years old—and then just said, "Be happy that you're not God." [*Laughter*] And with that, she wound up with a P.S. in her letter. She said, "Now, get back to the Oval Office and get to work." [*Laughter*] So, I will. Thank you all very much for being here.

Note: The President spoke at 1:14 p.m. at the ceremony on the South Lawn of the White House.

Nomination of United States Representatives and Alternate Representatives to the Thirty-seventh Session of the United Nations General Assembly

September 15, 1982

The President today announced his intention to nominate the following persons to be Representatives and Alternate Representatives of the United States of America to the Thirty-seventh Session of the United Nations General Assembly:

Ambassador Jeane Kirkpatrick, to serve as Representative;

Ambassador Kenneth Adelman, to serve as Representative;

Senator Robert W. Kasten, Jr., to serve as Representative;

Senator J. Bennett Johnston, to serve as Representative;

Ambassador John Davis Lodge, to serve as Representative;

Hernan Padilla, to serve as Alternate Representative;

Gordon C. Luce, to serve as Alternate Representative;

Ambassador William C. Sherman, to serve as Alternate Representative;

Ambassador Jose S. Sorzano, to serve as Alternate Representative; and

Ambassador Charles M. Lichenstein, to serve as Alternate Representative.

Nomination of the United States Representative and Alternate Representatives to the Twenty-sixth Session of the General Conference of the International Atomic Energy Agency

September 15, 1982

The President today announced his intention to nominate the following persons to be Representative and Alternate Representatives to the Twenty-sixth Session of the General Conference of the International Atomic Energy Agency:

W. Kenneth Davis, to serve as Representative. He is Deputy Secretary for the United States Department of Energy.

Richard T. Kennedy, to serve as Alternate Representative. He is currently serving as Under Secretary of State for Management.

Roger T. Kirk, to serve as Alternate Representative. He is Deputy United States Representative to the International Atomic Energy Agency.

Thomas Morgan Roberts, to serve as Alternate Representative. He is a Commissioner of the Nuclear Regulatory Commission.

Nomination of Kenneth Y. Tomlinson To Be an Associate Director of the United States Information Agency
September 15, 1982

The President today announced his intention to nominate Kenneth Y. Tomlinson to be an Associate Director (Broadcasting) of the United States Information Agency. He would succeed Robert John Hughes.

Mr. Tomlinson has been serving as senior editor of Reader's Digest since 1976. He has been with Reader's Digest since 1968, serving as staff writer in 1968–1971 and as an associate editor in 1971–1976. He was a reporter for the Richmond Times Dispatch in 1965–1968.

He graduated from Randolph-Macon College (B.A., 1967). He is married, has two children, and resides in Chappaqua, N.Y. He was born August 3, 1944.

Remarks at a Reception Marking the First Edition of USA Today
September 15, 1982

Mr. Neuharth, our Senate Majority Leader, Mr. Speaker:

It's wonderful to be here today with all of you and with the distinguished Senate Majority Leader [Howard Baker] and my other good friend and fellow Irishman, Speaker O'Neill. [*Laughter*] And no matter what Al Neuharth and Mike Connolly or Ann Devroy say, Howard, you were not asked here tonight to referee. [*Laughter*] Of course, I did notice they put you between us. [*Laughter*]

This is an unusual event. It's marked not only by the launching of your great new enterprise but by the appearance of so many prominent politicians in the same room with nothing but good things to say about the press. [*Laughter*]

I understand that many of the reporters and editors of USA Today are from out of town and still adjusting to Washington. Now, you might find that that's going to be a little difficult. It reminds me, back in World War II, a rookie, one day kind of confused by the way the Army did things, said to an old-line Regular Army sergeant that he didn't understand. And the sergeant said, "Son, well, let me tell you something. If you were a new country, just starting in and building your first army, and you finally got your first division created, what would you call it?" And the kid said, "Well, I suppose I'd call it the first division." He said, "Son, in this country they call it the second division, and when you understand that, you'll understand everything about the Army." [*Laughter*]

Well, of course, civilian Washington also has some examples of that kind, too. You're going to find that it's going to take a little getting used to. A good example of that, true as my word, was a fellow whose job, sitting in one of our big, busy agencies here, is to have papers arrive at his desk, memorandums and so forth, look at them, figure out where they're supposed to go, initial them, and send them on their way. One day, a paper arrived that was classified. But it had come to his desk, so he read it; he initialed it, and sent it on to where he figured it should go. It arrived back at his desk the next day with a memo that said, "You weren't supposed to read this." [*Laughter*] "Erase your initials and initial the erasure." [*Laughter*]

To tell the truth, though, I hope you never will completely adjust to Washington. A short time here, say 4 years or 8 years—[*laughter*]—can be very educational, even inspiring, can stir your feelings for this great country of ours. It's after that that you have to be careful—careful that you aren't too willing to accept things as they are, instead of as they should be.

When I saw the logo on the paper, USA Today, it occurred to me that some of the

hard-boiled types around this town might think it a little too nationalistic or even patriotic. Well, I've been accused of having that problem, myself, back over the years. The best answer I know is the one attributed to George M. Cohan. He was asked why there was so much flag-waving in his plays, and he gave a pretty good answer. He said, "Can you think of a better flag to wave?"

And that came home to me just a little while ago, standing here thinking about the recent crackdown on dissidents in the Soviet Union, repression in Poland, the attack on press freedom in Nicaragua. Yet, here we are and you are with all the wizardry of American technology and, in the robust tradition of American journalism, about to bring something new to the world of communications, a potentially great newspaper. Forgive me, but I can't help but feel that this is a testimony to the kind of dreams free men and women can dream and turn into reality here in America.

A few months ago, I said at a Captive Nations' ceremony in the Rose Garden—that will take some getting used to, too—there aren't any rose bushes there. [*Laughter*] But I said that day to those people that the systematic and growing repression of freedom under Marxist-Leninist regimes was the most important news story of our time. And I still think that's true.

I also think that USA Today is an exciting and important commercial in journalistic enterprise. But even more than that, it's another distant light, another glimmer of hope on the horizon of a world where too often the avid pursuit of the truth is discouraged or suppressed. I speak for everyone in the administration when I say, "You have our very best wishes, and we'll be rooting for you."

Thank you.

Note: The President spoke at approximately 6:40 p.m. on the mall area beneath the Capitol. The reception marked the first edition of Gannett Company's newspaper, USA Today. Al Neuharth is chairman and president of Gannett Company, Inc.

Remarks at a National Black Republican Council Dinner
September 15, 1982

Thank you very much. Mrs. Daniels, I thank you very much for those most generous words. Mr. Toastmaster, reverend clergy, the distinguished honorees and the ladies and gentlemen here at the head table, and you ladies and gentlemen:

It's a pleasure for Nancy and me to be here with you tonight. We know that you're in the forefront of one of the most important political battles of this election season, and we're with you heart and soul.

Now, I know that there are those who have accused the Republican Party of writing off the black vote. Well, I'm here to tell you that we're not writing off anyone. And, Mr. Claiborne,[1] Maria Montessori once said that if she were trying to climb a ladder and a dog was snapping at her heels—[*laughter*]—she could stop and kick the dog or climb the ladder. And you have encouraged Nancy and myself to keep on climbing the ladder.

I'm sensitive to the unique and sometimes difficult position in which you often find yourselves as black Republicans. What you're doing takes great vision and true courage. Under the superb leadership of individuals like your chairperson, Legree Daniels, black Republicans have been performing above and beyond the call of duty. The rest of us in the GOP are grateful for your commitment and deeply impressed by your tenacity.

For too long now, black Americans seem to have been written off by one party and taken for granted by the other. And for the vast majority of black Americans, that's been a strictly no-win situation. Changing it

[1] *Clay J. Claiborne, founder and national director of the National Black Silent Majority Committee of the USA.*

will require a commitment from all of us. So, tonight I want you to know that the Republican Party stands ready and willing to reach out to black Americans.

This conference is part of that outreach effort, as are the regional conferences and our support for black congressional candidates. And this is only the beginning of the outreach efforts. Perhaps if we failed at anything in the past as Republicans, it's been a failure to let black America know us—to know our hearts and our sincere dedication to improving the well-being, expanding the opportunity, and protecting the rights of every American. And while there's been a certain lack of communication on our part over the years, the other party seems to have capitalized on the rhetoric of compassion. They don't accomplish much, but they sure do talk about it. [*Laughter*]

It's time to set the record straight. When I first ran for Governor of California, I ran against an incumbent with impeccable liberal credentials. And then I was elected and discovered that in 8 years, he had made only a handful, a tiny handful of minority appointments, all to relatively minor positions in State government. I figured it was time to play catch-up. I appointed more blacks and other minorities to executive and policymaking positions in State government than all the previous 32 Governors of California put together. And my continued commitment at the national level is no 11th hour conversion.

So far, we have placed blacks in over 130 top executive policymaking positions. But more important, these appointments are not on the basis of color. They have been made because of ability and skill, and they cover a wide range of responsibilities.

When it comes to improving the economic well-being and protecting the rights of all our citizens, our party doesn't play second-fiddle to anyone. When I entered office less than 20 months ago, we were in the midst of an economic catastrophe from which we're just now beginning to recover. All of us were suffering, especially the poor, the elderly, and the disadvantaged. Some of our political leaders were even saying that nothing could be done and that we had to accept a lower standard of living and that America's best days were behind us. Well, to those on the bottom end of the economic ladder, that kind of talk is disaster. It robs them of hope and condemns them to a life of dependency and deprivation.

Our economic hardship is not some kind of mysterious malaise suffered by people who have suddenly lost their vitality. The problem is that the liberal economic policies that dominated America for too long just didn't work. It was not that those in power lacked good intentions; in fact, most of the compassionate rhetoric I mentioned a moment ago was not about accomplishments—it was about the wonderful intentions of the costly liberal programs. Well, too often the programs didn't do what they were supposed to and in many cases, they made things worse.

You know, they reminded me—those programs—and I've told this before, if you'll forgive me, and life not only begins at 40 but so does lumbago and telling the same story—[*laughter*]——

But they reminded me of that old story about the fellow riding the motorcycle on a chilled, cold, winter day. The wind coming through the buttonholes in the front of the jacket was chilling him. So finally he stopped, turned the jacket around, and put it on backward. Well, that protected him from the wind, but it kind of hindered his arm motion. And he hit a patch of ice and skidded into a tree. When the police got there, and they elbowed their way through the crowd, and they said, "What happened?" They said, "We don't know." They said, "By the time we got his head turned around straight, he was dead." [*Laughter*]

The record is there for all to see. This country entered the 1960's having made tremendous strides in reducing poverty. From 1949 until just before the Great Society burst upon the scene in 1964, the percentage of American families living in poverty fell dramatically from nearly 33 percent to only 18 percent. True, the number of blacks living in poverty was still disproportionately high. But tremendous progress had been made.

With the coming of the Great Society, government began eating away at the underpinnings of the private enterprise system. The big taxers and big spenders in

the Congress had started a binge that would slowly change the nature of our society and, even worse, it threatened the character of our people.

By the end of the decade, the situation seemed out of control. At a time when defense spending was decreasing in real dollars, the Federal budget tripled. And, to pay for all of this spending, the tax load increased until it was breaking the backs of working people, destroying incentive, and siphoning off resources needed in the private sector to provide new jobs and opportunity.

Inflation had jumped to double-digit levels. Unemployment was climbing. And interest rates shot through the roof, reaching 21½ percent shortly before we took office. Perhaps the saddest part of the whole story is that much of this Federal spending was done in the name of helping those it hurt the most, the disadvantaged. For the result of all that big spending and taxing is that, today, those at the lower end of the economic ladder are the hardest hit of all.

The decrease in poverty I referred to earlier started in the 1950's. By the time the full weight of Great Society programs was felt, economic progress for America's poor had come to a tragic halt. By 1980 the trend had reversed itself, and even more people, including more blacks, were living in poverty than back in 1969.

It's ironic that if the economic expansion and low inflation of the years prior to the Great Society had been maintained, black families and all Americans would be appreciably better off today. In fact, if we had just maintained the progress made from 1950 through 1965, black family income in 1980 would have been nearly $3,000 higher than it was after 15 years of Great Society programs.

In 1980 the American people sent a message to Washington, D.C. They no longer believed that throwing tax money at a problem was acceptable, no matter how good the intentions of those doing the taxing and spending.

In 1980 the people turned to the Republican Party because we offered hope. Setting things straight would not be an easy job. Bringing back real growth to our economy and real increases in our standard of living would not be easy. But we Republicans knew it could be done, and we still know that. America's best days are not behind her, and we're moving forward to tackle the serious problems just as we said we would.

Having said all that, you can see that 20 months ago, when I started my current job, there were some tough decisions that had to be made. It wasn't easy. But together, we've laid the groundwork for better economic times ahead.

The signs that our program is working are just now on the horizon. Gross national product is up. The leading economic indicators are up. Inflation is down dramatically, and so are interest rates. Housing permits are up. The stock market is up and so, for the first time in years, is real income.

Yes, there have been other indicators saying the economy isn't well yet. But we've managed, despite all the gloom and doom spouted by our opponents, to instill a new spirit of confidence in the country.

It's been tough on all of us. But we Republicans made a commitment not to try quick fixes but to get to the heart of our economic problems and turn things around.

It's taken time. You can't reverse 20 years of irresponsibility in 20 months, but we've made a great start. I reworded that from a speech I made out in the Middle West the other day when I said, "You can't clean up in 20 months what's been piling up for 20 years." And I decided—[*laughter*]—to say it the other way.

Our critics to the contrary, the poor and disadvantaged are better off today than if we had allowed runaway government spending, interest rates and inflation to continue ravaging the American economy. A family of four, for example, on a fixed income of $15,000 would today be $833 poorer, that much weaker in purchasing power, if we hadn't brought inflation alone down as far as we have from the double-digit rates that we inherited. A similar family living at the poverty level would be $472 poorer if inflation had continued at the 12.4 percent rate. It's been 5.4 percent since January.

When one considers that the poor spend

most of their family budgets on necessities—food, shelter, and clothing—leaving few ways to cut back to beat inflation, the importance of solving inflation is better understood.

We must remain firm and not be lured again into inflation-spending patterns. But let's be frank: The lives of those in the lower income levels are not what we'd like them to be. Some critics, especially in a political season, seem to forget that this administration didn't create the problem. The poverty and unemployment of today is the outgrowth of policies and problems of the late 1960's and the 1970's. Our program has just gone on line. And, if the current indicators are any suggestion, it's beginning to work.

It should also be noted that we've taken steps, along with our basic program which is aimed at restoring health to the economy in general, to make certain that economic stimulus is channeled into the areas of greatest economic need.

Since the end of the Second World War, too many of our major cities have become stagnant and depressed, enclaves of despair even when times were good. Federal spending programs didn't make a dent in the problem. For example, from 1965 to 1974, the Federal urban renewal program spent over $7 billion and ended an abysmal failure, destroying more housing units than it replaced. The Federal regulations and grants of the Model Cities program in the late 1960's again spent billions. Yet, it was unable to halt urban decay.

On March 23d of this year, I proposed a new, experimental approach to the problem—enterprise zones—which would harness the energy of the private sector and direct it toward providing economic opportunity for some of our most needy citizens. By removing regulations and offering tax incentives, we seek to accomplish what hundreds of billions of tax dollars and millions of hours of bureaucratic planning failed to do.

The plan seems to have popular support. Fourteen States have already passed their own enterprise zone legislation, not even waiting for action from the Federal level. Hundreds of cities across the country are already mapping out enterprise zone sites. And in a recent survey of Fortune 500 chief executive officers, 67 percent said they would seriously consider investing in the zones after seeing the final version of the legislation. Most of those who responded said they wouldn't have invested in depressed areas before considering the incentives offered by our enterprise zone initiative.

Now, at a time of high unemployment and even higher black unemployment, you'd think the Congress would be anxious to move on an innovative idea to tackle such a serious national problem. Well, think again. The liberal leadership of the House of Representatives has refused to even put the bill before hearings of the main committees responsible for it. The blatant politics surrounding enterprise zone legislation, politics at the expense of some of our most needy citizens, is a disgrace.

The liberals have had a decade to tackle the problem of urban decay and failed. It's time for them to give a chance to some new ideas, even if it runs against their ideological obsession for ever bigger and more expensive government. Or is it the coming election? Do they want the economy to remain stagnant so they can use that as a campaign issue?

Later this month, I'll announce a program which will promote minority business development. Of course, the most important item for minority businessmen, as with all small businessmen, is the tax and regulatory reforms we've instituted over the last 20 months. Yet beyond these, we've committed the Federal Government to promote an economic environment in which minority entrepreneurs can fully marshal their talents and skills to make a go of it in the marketplace.

There are many things that we can do to help minority business take root. Part of this administration's overall initiative for minority enterprise will include a plan for the Federal Government to procure substantial amounts of the goods and services during fiscal years '83, '84, and '85 from minority businessmen—[*applause*]. Thank you very much.

And beyond that, we're going to bring the leaders of American industry together

with minority businessmen, something that should prove valuable to both parties. This is the type of approach which will strengthen the economic underpinnings of the minority community and strengthen the overall economy as well.

Putting the American economy back on the right track has clearly been the top priority of this administration. But I think it's important for all of us to understand that at the same time we haven't forgotten the Federal commitment to civil rights. Thomas Jefferson once said that no man ever leaves the Presidency with as good a reputation as he brought into the job. [*Laughter*] Well, that's because even in Jefferson's day there was a constant barrage of wild, politically motivated charges aimed at the man in the White House. Well, usually I try to ignore personal attacks, but one charge I will have to admit strikes at my heart every time I hear it. That's the suggestion that we Republicans are taking a less active approach to protecting the civil rights of all Americans. No matter how you slice it, that's just plain baloney.

There's no room in the Republican Party for bigots, and the record shows that we've been firm in protecting civil liberties ever since entering office nearly 20 months ago. And what we've been doing is nothing new. In 1888 Frederick Douglass, an adviser to President Lincoln and one of the first great black Republicans, expressed our party's commitment at the Republican Convention. He said, "A government that can give liberty in its Constitution ought to have power to protect liberty in its administration."

In this administration, I've appointed individuals for whom I have the deepest trust and admiration to head the Department of Justice, the Equal Employment Opportunity Commission, and the Civil Rights Commission. They are committed, as I am, and as every other member of this administration, to protecting the civil rights of all Americans to the fullest extent of the law. Again I say, look at the record. The level of activity of this administration in investigating and prosecuting those who would attempt to deny blacks their civil liberties by violence and intimidation has exceeded the level of every past administration.

The Department of Justice has, since we came to Washington, filed 62 new cases charging criminal violations of civil rights laws and has conducted trials in 52 cases. And these numbers are greater than those in any previous administration. In addition, the Justice Department has filed nine new antidiscrimination cases against public employers and has reviewed more than 9,000 electoral changes to determine compliance with the Voting Rights Act. And that, too, is a higher level of activity than in any prior administration.

Consistent with this spirit, on June 29th of this year I signed into law the longest extension of the Voting Rights Act since its enactment. As I've said on many occasions, voting is the crown jewel of our liberties, and it's something that we as Republicans and Americans will never permit to be infringed upon.

The record of the Equal Employment Opportunity Commission, EEOC, is equally impressive. Under the first full year of this administration, the Commission dramatically increased its activity over the previous year. The number of charges of discrimination processed by the Commission increased by 25 percent. The number of persons assisted through negotiated remedies increased by 15 percent. And total backpay and other compensation provided in negotiated remedies increased by 60 percent.

Similarly, the number of suits filed by the Commission increased by 13 percent. And the number of suits settled by voluntary agreement increased by 25 percent. And in this era of necessary budget cuts, we've maintained the funding levels necessary for this vital protection. Over $531 million is proposed for fiscal year 1983. The difference between 1980 actual expenditures and proposed 1983 expenditures shows a 24-percent total dollar increase for the Civil Rights Division at the Department of Justice and 15 percent increase for the EEOC.

Now, no less important is this administration's first commitment to strengthening the historical black colleges, institutions which have played an important role in the progress of black America. More than 85 percent of black lawyers and doctors, for example, finished their undergraduate training at these schools. We have done our

best to ensure that even in these times of necessary cuts, historical black colleges not only will survive but progress and will serve future generations of black Americans, as they have so faithfully for the last 100 years.

Now these are more than numbers. They represent this administration's solid, unshakable commitment to civil rights and human betterment. In the coming months, getting the message out about the progress being made on the economic front and our continued commitment to civil rights will be a major challenge for all of us in the Republican Party. We've got a story to tell and a record worth standing on. We Republicans are the hope for all those who seek expanded opportunity. You and I know that most of those trapped in welfare dependency would like nothing better than a chance for dignity and independence.

Alexander Hamilton, one of our greatest Founding Fathers, once said that "a power over a man's subsistence amounts to a power over his will." What we've seen in too many cases in the inner city is the broken will of people who desire to be as proud and independent as any other American. And perhaps unintentionally, many government programs have been designed not to create social mobility and help the needy along their way, but instead to foster a state of dependency. Whatever their intentions, no matter their compassion, our opponents created a new kind of bondage for millions of American citizens.

Now, together, we can break this degrading cycle and we can do it with fairness, compassion, and love in our hearts. No other experience in American history runs quite parallel to the black experience. It has been one of great hardships, but also one of great heroism; of great adversity, but also great achievement. What our administration and our party seek is the day when the tragic side of the black legacy in America can be laid to rest once and for all, and the long, perilous voyage toward freedom, dignity, and opportunity can be completed—a day when every child born in America will live free not only of political injustice but of fear, ignorance, prejudice, and dependency.

Earlier in the program you sang, "Lift Every Voice and Sing." The third verse to that beautiful hymn ends with the words, "May we forever stand true to our God and our native land." Tonight, let us make that pledge. Let us be true to our God and native land by standing by the ideals of liberty and opportunity that are so important to our heritage as free men and women. Let us prove again that America can truly be a promised land, a land where people of every race, creed, and background can live together in freedom, harmony, and prosperity. And let us proclaim for all to hear that America will have brotherhood from sea to shining sea.

Thank you.

Note: The President spoke at approximately 8:20 p.m. in the Regency Ballroom at the Shoreham Hotel.

Remarks at the Welcoming Ceremony for President Ferdinand E. Marcos of the Philippines

September 16, 1982

President Reagan. Mr. President, Mrs. Marcos, it gives me special pleasure to welcome you to the United States. Mrs. Reagan and I have been long looking forward to returning the hospitality you showed us on our 1969 visit to your country.

Our two peoples enjoy a close friendship, one forged in shared history and common ideals. In World War II, Americans and Filipinos fought side by side in the defense of freedom—a struggle in which you, Mr. President, personally fought so valiantly.

The values for which we struggled—independence, liberty, democracy, justice, equality—are engraved in our constitutions and embodied in our peoples' aspirations. Today our ties remain strong, benefiting each of us over the full range of our rela-

tions. Politically, we tend to view many world issues the same general way. Yours, Mr. President, is a respected voice for reason and moderation in international forums.

The Philippines with its ASEAN partners has taken the lead in search for self-determination for the people of Kampuchea. In that vein, let me also pay tribute to you and Mrs. Marcos' personal leadership and commitment to the care of refugees in Southeast Asia. Under your direct sponsorship, the Philippines' refugee processing center has become a model of its kind in encouraging the development of self-sufficiency and the restoration of human dignity.

The Philippines and you, Mr. President, play an important role in addressing the problems of economic development in the world. At Cancún, we made a new start toward a more effective and practical dialog and improved cooperation among industrial and developing countries. Your leadership in that area, Mr. President, is vital and widely respected. Under your leadership at home, the Philippines can boast a record of solid economic growth over the past decade, attributable in significant part to its hospitable attitude toward free enterprise and private initiative.

Your country's dedication to improving the standard of living of your people is an effort in which we've been delighted to participate through bilateral and multilateral economic assistance. Your continuing interest in better nutrition has led the Philippines to achieve self-sufficiency in food grain production.

You can also point with pride to the success of your rural electrification program, now bringing benefits to an increasing number of remote regions. And I find it a matter of personal satisfaction that your country and my home State of California are both pioneers in developing geothermal power to replace expensive energy imports.

The United States remains the Philippines' leading trading partner, and American firms are the largest foreign investors in your country, reflecting their confidence in your progress and prospects for economic growth.

We have welcomed the growing two-way trade between our nations and have been pleased that we've been able to keep our markets for the products of your growing manufacturing and industrial sector the most open of any country in the industrialized world.

America considers itself especially fortunate to have nearly one million persons of Filipino heritage now residing in our country. They bring with them their energy and their talents, and they contribute enormously to the rich diversity of American society. Similarly, thousands of Americans, enchanted by the beauty of your nation and by its people, have chosen to live in the Philippines.

Our security relationship is an essential element in maintaining peace in the region and is so recognized. This relationship, one of several we have in the Western Pacific, threatens no one but contributes to the shield behind which the whole region can develop socially and economically.

Mr. President, under your leadership the Philippines stands as a recognized force for peace and security in Southeast Asia through its bilateral efforts and through its role in ASEAN, which is the focus of our regional policies in Southeast Asia.

Mr. President and Mrs. Marcos, the United States deeply values its close friendship and alliance with the Philippines. We seek to use this visit to further strengthen our ties with your country.

Nancy and I are personally delighted that you are here. And we say, "Welcome to the United States. Welcome to our national home."

President Marcos. Thank you very much, President Reagan, Mrs. Reagan, members of the Cabinet, distinguished guests, my friends:

On behalf of the 50 million people of the Philippines, Mrs. Marcos and I express our gratitude for your warm welcome to Washington and to the United States of America.

This great and beautiful city that is one of the few cities that was built as a capital for a great nation is, indeed, as has been written, the key to knowing the secret of America, and this house of the American people, an American frontier that never vanishes. Your beautiful city with its grand memorials, its monuments, its walks, is indeed a

city that memorializes the great achievements of your people for the past two centuries. But more than that, it keeps offering to the enterprising and the talented, the courageous and the strong, the rewards of effort and of initiative.

At the same time as I stand here on American soil, I realize that I stand on what may be the center of the Government of the United States of America—here, where, as I have often stated, the future is being born. The future is being born depending upon the man who is in the White House. And the man who is in the White House today certainly is creating a new future for our world.

For, Mr. President, I come from that part of the world wherein the poorest of the world's population live. I come from that part of the world that cherishes an image of America with its ideals, its dreams, its illusions. I come from the Philippines, a part of Asia which has been molded along the principles of American democracy. We learned to love these ideals and principles, and we lost a million of our people fighting for them in the last war.

We have always stood by these ideals. We shall continue to do so, whatever may be the cost—at the risk of our fortunes, our lives. But more important of all, our honor will stand for the ideals of democracy that is our legacy from the United States of America.

I did not come to burden you further with additional problems, Mr. President, for I know that, as I have said in many a speech before my own people and before the world, fate and destiny has decreed that the United States of America be the trustee of modern civilization against the threat of a possible second Dark Ages. And America cannot fail. And therefore, we, the Filipino people, come and bring to you a prayer that God, in His divine providence, may grant you guidance, strengthen both your heart and hand, so that that hand may be strong on the lever of power and save our humanity.

If America fails, then the world is lost. And thus, Mr. President, I can assure you that throughout all of Asia, there is nothing but a reservoir of good will for you, the American people, and the United States of America.

Once again, may I say thank you for your warm welcome and your hospitality, which I know we will never be able to reciprocate. Thank you.

Note: The President spoke at 10:15 a.m. on the South Lawn of the White House, where President Marcos was accorded a formal welcome with full military honors. Following the ceremony, the two Presidents met in the Oval Office.

Nomination of David Joseph Fischer To Be United States Ambassador to Seychelles

September 16, 1982

The President today announced his intention to nominate David Joseph Fischer, of Texas, a career member of the Senior Foreign Service, Class of Counselor, as Ambassador to the Republic of Seychelles. He would succeed William Caldwell Harrop.

Mr. Fischer entered the Foreign Service in 1961 as visa officer in Frankfurt, and was consular officer, then cultural affairs officer in Warsaw, in 1964–1968. He was foreign affairs political analyst in the Bureau of Intelligence and Research in the Department in 1968–1970, and was on detail to the United States Arms Control and Disarmament Agency as International Relations officer in 1970–1972. He was political officer in Sofia (1972–1974), and in Kathmandu (1974–1977). In the Department, he was political-military affairs officer (1977–1979), and Director of the Office of Public Programs (1978–1979). Since 1979 he has been Deputy Chief of Mission in Dar es Salaam.

He graduated from Brown University (B.A., 1960) and attended Harvard Universi-

ty Law School. His foreign languages are German, Polish, and Bulgarian. He was born February 18, 1939.

Nomination of Walter C. Wallace To Be a Member of the National Mediation Board

September 16, 1982

The President today announced his intention to nominate Walter C. Wallace to be a member of the National Mediation Board for a term expiring July 1, 1984. He would succeed George S. Ives.

Mr. Wallace is presently serving as corporate counsel and director of industrial relations for Multiplant, national manufacturer of metal products. He was partner in the law firm of Ables & Wallace, Washington, D.C., in 1975–1980. He was president of Bituminous Coal Operators Association in Washington, D.C., in 1973–1975. He was vice president for administration of Hudson Pulp & Paper Corp., New York City, in 1962–1973. He was General Counsel for the Presidential Railroad Commission in 1961. He was Assistant Secretary of Labor (Manpower), Chief Staff Assistant to the Secretary of Labor, and United States Representative, International Labor Conference, Geneva, Switzerland, in 1955–1961.

He graduated from St. John's University (B.A., 1948) and Cornell Law School (LL.B., 1951). He is married, has one child, and resides in New York, N.Y. He was born March 25, 1924.

Nomination of Mary Carol Rudin To Be a Member of the Board of Governors of the United Service Organizations, Inc.

September 16, 1982

The President today designated Mary Carol Rudin as a member of the Board of Governors of the United Service Organizations, Inc., for a term of 3 years. She would succeed Jeff S. Wald.

Mrs. Rudin currently serves as a member of the board of directors of the following organizations: the Board for Integrative Biomedical Research (FIBER), a program established to investigate the effects of human aging; the Hereditary Disease Foundation; the South Coast Foundation; and the Blue Ribbon Club for the Los Angeles Music Center.

She graduated from the University of California (B.A., 1969) and California State University at Los Angeles (M.A., 1974). She resides in Santa Monica, Calif. She was born March 1, 1944.

Statement by Deputy Press Secretary Speakes on the Situation in Lebanon

September 16, 1982

It appears from press reports and eyewitness accounts that the Israelis have now moved into strategic positions throughout West Beirut and control much of that sector

of the city. This is contrary to the assurances given to us by the Israelis both in Washington and in Israel.

We fully support the Lebanese Government's call for the withdrawal of Israeli forces, which are in clear violation of the cease-fire understanding to which Israel is a party. There is no justification in our view for Israel's continued military presence in west Beirut, and we call for an immediate pullback.

Note: Deputy Press Secretary Larry M. Speakes read the statement during his daily briefing for reporters, which began at 12:20 p.m. in the Briefing Room at the White House.

Nomination of James K. Stewart To Be Director of the National Institute of Justice

September 16, 1982

The President today announced his intention to nominate James K. Stewart to be Director of the National Institute of Justice, Department of Justice. This is a new position.

Mr. Stewart is presently a White House fellow and Special Assistant to the Attorney General of the United States. He was division commander, criminal investigation division, Oakland Police Department, Oakland, Calif., in 1977–1981. He was with O'Rourke Associates, a police organizational development firm, in 1974–1981, and Stark Associates, a management consultant firm, in 1978–1981. He served in various positions with the Oakland Police Department. He was lieutenant in 1974, sergeant in 1971, and police officer in 1966.

He graduated from the University of Oregon (B.S., 1964) and California State University (M.P.A., 1979). He is married, has two children, and resides in Orinda, Calif. He was born November 28, 1942.

Appointment of Two Members of the National Advisory Council on Vocational Education

September 16, 1982

The President today announced his intention to appoint the following persons to be members of the National Advisory Council on Vocational Education:

Adolphus (Dolph) Andrews III, for the remainder of the term expiring January 17, 1983, succeeding Hope M. Roberts, and to be reappointed for the term expiring January 17, 1986. He is with Ritchie and Ritchie Real Estate in San Francisco, Calif. He resides in San Francisco and was born February 6, 1949.

Pedro Diaz, Jr., for the remainder of the term expiring January 17, 1983, succeeding Rose Fong Chao, and to be reappointed for the term expiring January 17, 1986. He is chairman of Diaz Enterprises, Inc., in Rio Grande City, Tex. He resides in Rio Grande City and was born November 17, 1927.

Letter to the Speaker of the House, the Majority Leader of the Senate, and Selected Members of Congress Concerning Appropriations Bills

September 16, 1982

As we approach the start of a new fiscal year, I wish to underline the importance I attach to the Congress' passing responsible regular appropriations bills in a timely manner. I have said before, and I feel even more strongly now, that attempting to run the Federal Government without a proper budget—with a series of temporary continuing resolutions—and the associated overall budgetary uncertainty—amounts to both bad economics and bad management.

I recognize that there have been delays in the development of appropriations bills for the coming fiscal year. And I understand of course that, with the November elections ahead, the Congress is anxious to recess in early October. If it therefore becomes necessary to resort again to the continuing resolution approach, I would urge most strongly that any continuing resolution be for the shortest possible time. The duration should be the minimum necessary to allow this Congress to resume and complete its work following the elections—in a manner that fulfills the obligations of the Budget Resolution that this Congress has passed.

I continue to hope that we may receive the regular appropriations bills on time. But if this proves infeasible, I trust you will give careful consideration to these views as you consider the possibility of a continuing resolution.

Sincerely,

RONALD REAGAN

Note: As printed above, this item follows the text of the letter released by the Office of the Press Secretary.

Remarks by Telephone With Press Secretary James S. Brady, Recipient of the Lincoln Award of the United Republican Fund

September 16, 1982

The President. Hello.

Mr. Brady. Mr. President.

The President. Yes; good evening to all of you. I hope you are hearing me all right. Hello?

Mr. Brady. Ten-four, sir.

The President. Thank you for giving me this opportunity to participate in an Illinois homecoming for my friend and Press Secretary, Jim Brady.

Mr. Brady. Well, the pleasure is all mine, sir.

The President. What's that?

Mr. Brady. The pleasure is all mine.

The President. I cannot think of anyone more deserving of the coveted Lincoln Award than you, Jim.

Most of you are aware that Jim and I first got acquainted during the 1980 campaign. Shortly after we met, I knew that Jim was a man I respected as a professional and liked as a person.

Jim, you never let the grueling task of campaigning douse your spirit. We worked side by side to bring the American people a message of hope during a time of economic hardship and international uncertainty. The magnificent victory of November 1980 was due, in no small part, to your contributions, Jim.

You also were a major force in shaping this administration during its formative stages. And now the entire country knows of the depth of your courage. Your close friends—and I count myself as one of them—always knew of this strength of char-

acter. Now you are serving as an inspiration to a whole nation and to men and women of good will everywhere.

Mr. Brady. Thank you, sir.

The President. When they told me you would be up there helping the Twelve-Hundred Club and the United Republican Fund of Chicago, it was really no surprise.

Now they tell me you are going to be throwing out the first ball at the Cubs game on Monday. I used to broadcast those Cubs games. They never let me throw a ball out, though.

Mr. Brady. I am going to help them out——[*laughter*].

The President. I hope you will, Jim. The fans in the stadium will not be the only ones rooting for you. We are all thinking about you, and praying for you, and looking forward to the day when you are back with us at the White House. In spirit, of course, you never left.

So, congratulations to you and also to the Twelve-Hundred Club and the United Republican Club of Chicago for picking the ideal guy to honor with the Lincoln Award.

Mr. Brady. Thank you, sir.

The President. Jim—well, you represent the very best of Illinois and the American heartland. So thanks for letting me be a part of this program.

Mr. Brady. ——Mrs. Reagan.

The President. I shall tell her.

Mr. Brady. Thank you, sir.

The President. Okay. God bless you. All right. Good night, Jim. Good night, everybody.

Note: The conversation began at 9:55 p.m. The President was at the White House, and the Press Secretary was in Chicago at the Palmer House, where he was presented with the award.

As printed above, this item follows the text of the White House press release.

Toasts of President Reagan and President Ferdinand E. Marcos of the Philippines at the State Dinner

September 16, 1982

President Reagan. Ladies and gentlemen—isn't that a shock when they turn on those lights? [*Laughter*]

Before I say what I was prepared to say here, I think that all of us ought to join in a "Happy Birthday." There is a period in which you *can* tell a lady's age—[*laughter*]—when it is Irene Marcos, and it's her 22d birthday. Happy birthday.

But tonight we welcome old and good friends to the White House in a visit symbolic of the superb relationship between our two countries. It's a nostalgic occasion for us, as well. Nancy and I often think of our 1969 visit to Manila, when we first experienced that unexcelled Philippine hospitality as the guests of our guests here tonight. And the birthday girl was quite young and small at that time.

Many things have changed in both countries since that time, but one thing remains constant—the basic nature of the Filipino-United States friendship. It remains solid. Both countries have worked hard over the years to maintain excellent cooperation in defense, foreign policy, refugee matters, economic assistance, and many other areas. And I pledge to you, President Marcos, that the United States will do its share to strengthen those ties in the 1930's—the 1980's! [*Laughter*] I have been doing a little reminiscing at the table, forgive me. Yes, the 1930's was my first job. [*Laughter*]

We value the friendship of the Republic of the Philippines for many reasons, Mr. President. Our intertwined histories during the first 50 years of this century left its imprint on your institutions of government, your educational system, and your public services, such as public health. The widespread use of the English language is a result of that era. So is your flourishing free enterprise system.

As important as our shared histories or

our shared strategic interests which span this entire century, in World War II Filipinos and Americans fought and died together. And you, yourself, Mr. President, played an unforgettably heroic part in that conflict. Coming out of that war, your generation and mine fully understood the need for collective security arrangements. Unfortunately, some of today's young people, blessed by decades of relative peace, may not have this understanding. I think it's our duty to impart our historical experience to them.

Today, a strong defense alliance is a major factor in contributing to the security of the Philippines and to the maintenance of peace and security in Asia. With the next review of the military bases agreement, which begins in 1983, we shall continue to modernize our security relationship to best serve our mutual security interests.

Both of our economies depend on vigorous trade and investment. These ties remain strong, and your presence in Washington, Mr. President, has enabled us to conclude several outstanding economic matters.

President Marcos, we have accomplished a great deal together over the years. We will all do more in the years to come. Common determination to achieve a better life doesn't mean that we need to be alike, we need only to treat one another in a spirit of generosity and mutal respect. If we do that, our continuing commitment to one another, resting as it does on many years of close relations, will be solid now and for the future.

So, in that spirit, let me offer a toast: To the President and Mrs. Marcos, and to the people of the Philippines, and to the mutual respect, the dedication to peace and security in the world, and the shared values which unite us.

President Marcos. Mr. President and Mrs. Reagan, distinguished guests, my friends:

I feel I must pay tribute to this elegant and fairylike party and dinner which has reminded me too much not only of home but of some dreamland at home; a tribute to the taste and sense of beauty to—perhaps, primarily, not only to President Reagan but Mrs. Reagan for this lovely party, which I shall always remember as the Firefly Party in the White House. [*Laughter*]

You do us great honor with this dinner. Allow me to extend the gratitude of 50 million people in the Republic of the Philippines, Mrs. Marcos and myself, for this hospitality and this generosity. Certainly, we will be unable to reciprocate this beautiful event. You even had the songs all prepared, including a Filipino song that's a favorite of the First Lady of the Philippines, *Dahil Sa Iya*, which means "Because of You": because of you I love, because of you I live, and because of you I am what I am. And then you had the other theme song which was a favorite of both President Reagan and the other President, I understand, the theme song of Dr. Zhivago, which is a long story, of course, and which I won't talk about. [*Laughter*] It happens to be one of our theme songs because it was sung in one of what threatened to be a tragedy, but which did not, and that is why we remember it.

Tonight, the Philippines once again is obligated to you, Mr. President, for your kind and generous words. I note, too, the use of the word "friendship," and I am reminded of the first President of the United States, the Father of this great nation, George Washington, who said that friendship is a slow, growing plant that must pass through the rigors of difficulty, hardship, before it can claim this appellation. And I am reminded, too, of the more—almost a century of relationship between our two countries and the periods of difficulty, the rigors, perhaps, even of misunderstanding, and battles that we have fought together. And perhaps, therefore, it is not too rash to say that it is proper to use the appellation "friendship" between the American and the Filipino.

That friendship—that abiding friendship—we cherish and cherish deeply. And this is why as I come and stand, once again, on American soil, Mr. President, I cannot but be candid. I would not be candid if I did not speak, too, of those misunderstandings and the adversities which we have faced together. For the world faces challenge and change. We are in a period of ferment. As one of your great writers has said: You have passed through a period of torment, an ordeal, perhaps, of tragedy, as

you experienced the assassination of some of your American leaders, constitutional crisis in the Presidency, a trauma of Vietnam, and occasionally doubts about your own capability.

Certainly, as we look around in Asia the historic relation of the United States with the countries of that part of the world are marked occasionally with doubt, mutual distrust, and often there is fear that perhaps America is weary of the responsibility that it has for the world community. But the Philippines has always stood on the firm conviction that America does not weary, that America is firm and resolute, that America may question some of its own actions, but that it faces and confronts its problems squarely, fairly, justly.

As I stand on American soil and I see the doubts rising in Asia, I see another phenomenon that clears my mind. It is the phenomenon of an American nation led by a new leadership, earnestly exerting heroic efforts in order to stop the slide and the loss of prestige of American leadership throughout the world.

Yes, Mr. President, out of the dark, out of the shadows of the decline in even respect for America and decline for her leadership, there is a rising, an emerging, a new America—not only in Asia but perhaps throughout the world—an emerging, a new America under a new leader, resurgent, firm, strong, committed, and forthright. And that leader is President Ronald Reagan.

The stakes are high, Mr. President. The stakes for a strong and emergent America are high. All the nations pray for your success, even those who criticize you. For even the mercantile nations will reap reward from your success, but they will reap comfort. They will reap an additional car for a family, a more comfortable home, more sumptuous dinners.

But the stake of the poorer nations like mine are greater, Mr. President. Their stake is survival. The other option is death. And so for you we have nothing but prayers, as I said this morning. And so we look towards this phenomenon and say: Let there be strength and greatness for the American nation, for only then can there be hope for us, the poorer nations. And let America reclaim her role, her historic place, and her historic relationship with the poorer nations of the world—the members of the Third World, my world. For that is your rightful place, Mr. President, and America.

So, once again, I say we pray, therefore, that God grant to America this strength and capability to reclaim her natural place and historic relationship with all the nations and with other nations reestablish order in our anxious, troubled world. We pray for this, we hope for this—not only the big nations but especially the small ones.

And so may I ask you to rise and join me to a toast: To the continued health and success of the President of the United States, the prosperity and the strength of the American people, and the friendship of the peoples of the United States and the Philippines.

Note: The toasts began at 10:05 p.m. in the Rose Garden at the White House.

Proclamation 4972—Veterans Day, 1982

September 16, 1982

By the President of the United States of America

A Proclamation

Veterans Day affords all Americans a special opportunity to honor the deeds of those who sacrificed so much to answer the call to arms during the life of this great country. On this day, our Nation is united in tribute to the valiant men and women who have unselfishly given of themselves to serve in our Armed Forces.

Words alone are insufficient to express our lasting gratitude and admiration to those whose patriotism and courage have ensured our peace and freedom despite

threats of tyranny and aggression. Significant disruptions in their lives and other personal hardships have been the price that our Nation's veterans have paid so that the rest of us might enjoy the fruits of justice and liberty.

In order that we pay meaningful tribute to their efforts, Congress has provided (5 U.S.C. 6103(a)) that November 11 shall be set aside each year as a national holiday to honor America's veterans.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby call on all Americans to join in observing Thursday, November 11, 1982, as Veterans Day. I urge both public ceremonies, as well as private thoughts and prayers, in recognition of the great contribution of our veterans to an America that today is an example to all nations of freedom, liberty, and democracy. On this day, let us give special consideration to those who have died in our Nation's wars and to those who have been disabled.

I call upon Federal, State and local Government officials to mark Veterans Day by displaying the flag of the United States, and I ask those Government officials to support fully and personally its observance by appropriate ceremonies throughout the country.

In Witness Whereof, I have hereunto set my hand this 16th day of Sept., in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 11:17 a.m., September 17, 1982*]

Note: The text of the proclamation was released by the Office of the Press Secretary on September 17.

Nomination of George W. Douglas To Be a Commissioner of the Federal Trade Commission

September 17, 1982

The President today announced his intention to nominate George W. Douglas to be a Federal Trade Commissioner for the term of 7 years from September 26, 1982. He would succeed Robert Pitofsky.

Mr. Douglas is currently president of Southwest Econometrics, Inc., in Austin, Tex. He was associate professor of economics at the University of North Carolina. He was visiting professor of economics at the University of Texas in 1974–1975. He was assistant professor of economics at the University of North Carolina in 1967–1973. He was an economist in the office of the Secretary of Transportation in 1968–1969. In 1965–1967 he was a lecturer in economics at the University of North Carolina.

He graduated from Yale University (B.A., 1960; M.A., 1963; Ph. D., 1967). He is married, has two children, and resides in Austin, Tex. He was born August 10, 1938.

Nomination of John Blane To Be United States Ambassador to Rwanda

September 17, 1982

The President today announced his intention to nominate John Blane to be Ambassador to the Republic of Rwanda. He would succeed Harry Roberts Melone.

Mr. Blane served in the United States Army in 1953–1955. He entered the For-

eign Service in 1956 and was consular and political officer in Mogadishu (1957), in Asmara (1958–1960), and in Salzburg (1960–1962). He attended Northwestern University in 1962–1963. He was political officer in Yaounde in 1963–1966. In the Department, he was country officer for Togo, Dahomey, Chad, and Gabon (1966–1968), and Acting Chief of Northern and Eastern Africa in the Bureau of Intelligence and Research (1969). He was Deputy Chief of Mission in Ft. Lamy in 1969–1972. In 1972–1975 he was policy planning officer in the Bureau of African Affairs in the Department, and also Acting Staff Director of the National Security Council Interdepartmental Group. He was on detail as Director of the Bilateral Programs Division of the Office of International Activities at the Environmental Protection Agency in 1975–1977. He was Deputy Chief of Mission in Nairobi in 1977–1980 and a member of the Executive Seminar in National and International Affairs the Foreign Service Institute in 1980–1981. In 1981 he was a member of the United States Delegation to the 36th Session of the United States General Assembly in New York City. Since 1982 he has been special projects officer in the Bureau of African Affairs in the Department.

He graduated from the University of Tennessee (B.A., 1951; M.A., 1956). He attended the University of Vienna in 1952–1953. His foreign languages are German and French. He was born July 15, 1929.

Appointment of Two Members of the President's Export Council
September 17, 1982

The President today announced his intention to appoint the following persons to be members of the President's Export Council:

Robert G. Schwartz would succeed Henry B. Schacht. He is vice chairman of the board of Metropolitan Life Insurance Co. Mr. Schwartz joined Metropolitan in 1949 and became an officer of the company in 1962 in the corporate investments department. He resides in Princeton, N.J., and was born March 27, 1928.

Clayton Yeutter would succeed Robert A. Beck. He is president and chief executive officer of the Chicago Mercantile Exchange. He was Deputy Special Trade Representative, Executive Office of the President, in 1975–1977. He resides in Hinsdale, Ill., and was born December 10, 1930.

Message on the Observance of the Jewish High Holy Days
September 17, 1982

Nancy and I welcome the observance of Rosh Hashanah and Yom Kippur as an opportunity to send special greetings to the Jewish people and to wish you every health and happiness for the coming year.

According to Jewish legend, "Three books are opened on Rosh Hashanah: one for the wholly righteous, one for the wholly wicked, and one for the intermediates. The wholly righteous are at once inscribed and sealed in the Book of Life; the wholly wicked are at once inscribed and sealed in the Book of Death; and the intermediates are suspended from Rosh Hashanah to Yom Kippur." However, even the most severe decree can be averted by repentance, acts of kindness and prayer.

As the Jewish New Year commences, Jews throughout the world will begin a period of introspection and atonement and a reexamination of their personal relationship with God. The stirring sound of the Shofar will echo in prayer services everywhere, calling out to all of the Jewish Faith. Nancy and I join with you in the spirit of this solemn holiday and in your prayers for

the New Year.

Our heartfelt wish is that at the conclusion of the Days of Atonement, each of you may be inscribed for a good year in the Book of Life and that we may work together to build a world of peace for our children and freedom for all mankind.

RONALD REAGAN

Remarks in White House Station, New Jersey, on the Situation in Lebanon

September 17, 1982

We want Lebanon—after all these years of disruption and warlords, each one with his own militia fighting each other in that country—now that the PLO has been moved out, we want to see all foreign forces removed and see Lebanon go forward with a government and once again be in control of its own destiny.

And I'm sure that that's what Israel wants, also. It is true that what led them to move back in was the attack—after the assassination on the elected President there—the attack on his forces by some of the leftist militia that are still there in west Beirut.

But I think that the Lebanese Army of the government, which is the official government, will move in and take over those positions held by the Israelis. I think they'll withdraw. And we hope it will be very soon, because we've made great progress since my speech the other night about a plan for the Middle East, great progress with the moderate Arab States, and I think that we're on the way with hope for a solid peace in the Middle East.

And at the same time, let me say one thing: At the same time I say all of that, and even though we're at this moment urging Israel to move, that doesn't mean that we've moved one step away from our moral obligation to the preservation of Israel as a sovereign state.

Note: The President's remarks were excerpted from a question-and-answer session with attendees at a fundraising reception for Representative Millicent Fenwick, Republican candidate for the U.S. Senate from New Jersey, which began at approximately 3 p.m. on the grounds of the Ryland Inn.

As printed above, the President's remarks follow the text of the White House press release.

Remarks at the Swearing-In Ceremony for New United States Citizens in White House Station, New Jersey

September 17, 1982

My fellow Americans—and I am proud to be the first to so address you—welcome to the freest land on Earth.

We are, as you have just pledged, "one Nation under God, indivisible, with liberty and justice for all." Our commitment to self-determination, freedom, and peace is the very soul of America.

Our people include every race, creed, and ethnic background, yet we're bound by shared values and a love of freedom. Somewhere in the history of every American family is a person like you, who became an American not by birth but by choice. The original colonists came here driven by a hunger for freedom and have been followed in every generation by immigrants possessed of the same hunger and the courage that it takes to tear up roots and start again

in a new land. We're a nation of dreamers who've come here, as you have, in search of an ideal: respect for the liberty and dignity of man.

When I was still a very young boy growing up in the rural heart of this continent—great-grandson of an Irish immigrant—another President, Woodrow Wilson, welcomed new Americans as I do today. And he told them, "You dreamed dreams of what America was to be, and I hope you brought the dreams with you. No man that does not see visions will ever realize any high hope or undertake any high enterprise. Just because you brought dreams with you, America is more likely to realize dreams such as you brought. You are enriching us if you came expecting us to be better than we are."

Those words are especially true today. You're now a part of a great nation in the midst of renewal. We're eager to add your strength and your spirit and your dreams to our own. In the week that begins today, Citizenship Day, some 10,000 will take the oath that you have just sworn. And the number will have reached nearly 200,000 by the year's end. Together, you will infuse our people with renewed appreciation for liberty and pride in being an American. Give to us all your energy, your drive, and your determination. We'll share with you this precious freedom that we keep in trust for all mankind.

You know, it's long been my belief that America is a chosen land, placed by some Divine Providence here between the two oceans to be sought out and found only by those with a special yearning for freedom. This nation is a refuge for all those people on Earth who long to breathe free.

There are places in the world today, as there have always been, where human rights are recognized only as selective favors to be doled out by the state. As we meet today at a Polish freedom hall, we cannot help but think of the iron hand of repression still firmly gripping a people who have struggled and sacrificed for liberty throughout their history. Remember the proud people of Poland on the day that you take the oath of allegiance to our land of freedom.

In the Soviet Union authorities routinely deny human rights to their citizens. Just last week, the Moscow [Ukrainian] Helsinki Monitoring Group, a human rights organization, was forced to disband because of persecution. But let us remember the continuing struggle for even the most basic rights in the Soviet Union as we celebrate the 195th anniversary of the signing of the American Constitution.

You know, I have to say one thing about that. In the countries that all of us came from, there are constitutions. And I don't claim to know all the constitutions of the world. But I do know that there is one thing that is different in ours from virtually all of the other constitutions. All of the other constitutions are a declaration of the rights that will be allowed to you by government. Our Constitution is a declaration of the rights that we, the people, allow to government, and it can have no power or rights that we, the people, have not freely given to it.

During the last two centuries, some 50 million people from every corner of the globe have flocked to our shores. Some of them crawled over walls, under barbed wire, through minefields, or risked their lives in leaky, makeshift boats to escape oppression. As we go about our daily lives, let us remember the price that so many are willing to pay for freedom.

We who enjoy liberty should understand that, as Thomas Paine wrote, "Those who expect to reap the blessings of freedom must . . . undergo the fatigue of supporting it." It's our duty to work together for a strong America—morally strong, economically strong, and strong enough militarily that we might preserve this precious heritage.

The Governor of this State, Thomas Kean, said during his inauguration that for America to prosper, we must "draw upon the diversity of our people and tap the strength inherent in that diversity." I believe with him that the key to our national renewal lies in the character of our diverse citizenry. As you begin lives as Americans, remember that freedom rests, and always will, on the individual—on individual talent, on individual integrity, and individual effort. We need all that you can give us. If only we

believe in ourselves and live up to our individual potential, then together there isn't anything that we can't achieve.

On behalf of all your countrymen, I welcome you and urge you to cherish the rights and privileges you now share. And if for a second you were thinking back to the land of your birth, when I said countrymen, I mean your American countrymen. I also call on the rest of America to renew with you today this compact of freedom, this duty and blessing that is our American citizenship.

And now, I think the band is prepared for this—I hope—so that I don't take them by surprise. I think it'd be wonderful if we all sing "God Bless America."

[*At this point, the President led the audience in singing "God Bless America."*]

Well, thank you all. Just one last line. I have said it before. That same Tom Paine that I quoted, 200 years ago one of our Founding Fathers, said—and it's still true today—"We have it within our power to begin the world over again."

Thank you. God bless you.

Note: The President spoke at 3:38 p.m. at Liberty Hall, the meeting place of the Polish-American Citizens' Club. Prior to the President's remarks, the oath of allegiance was administered to the candidates for citizenship by Judge Clarkson Fisher, Chief Judge of the U.S. District Court for the District of New Jersey. The President then presented each of them with citizenship certificates and led in the recitation of the Pledge of Allegiance.

Following the naturalization ceremony, the President went to the Ryland Inn for a meeting with the Republican State chairmen from 11 northeastern States, the District of Columbia, and the Virgin Islands.

Remarks at the San Gennaro Festival in Flemington, New Jersey
September 17, 1982

Millicent, thank you very much. Our Governor, your Representatives in Congress, and Millicent Fenwick, and this group here on the platform, and you ladies and gentlemen:

I can't match Millicent with regard to the language—[*laughter*]—I'll have to stick with my own.

As a matter of fact, I had a little adventure once of that kind. I was invited once, while I was still Governor of California, to represent our President, then, in Mexico. And I got up and made a speech, and I knew that I wasn't getting much applause. As a matter of fact, I sat down to very little applause, and I was a little embarrassed. So, when the next fellow got up and started speaking to the audience in Spanish, and they were applauding—well, I beat them to it after every time. I was so embarrassed I applauded longer and louder than anybody, until our Ambassador leaned over and said to me, "I wouldn't do that if I were you, he's interpreting your speech." [*Laughter*]

I can't tell you how happy I am to be here at the San Gennaro Festival. It's great to get out of the White House and have some fun once in a while. [*Laughter*] You know, I once attended an Italian American festival where everyone was having a joyous time. There was such life and vitality and all kinds of delicious foods, just like here, and I said to the man next to me, I said, "If anyone felt lonely, this is the place to be." "That's true," he said, "no one can be lonely while eating spaghetti." [*Laughter*] He said, "It takes so much attention." [*Laughter*] So, when I think of Italian families, I never think of loneliness but of warm kitchens and even warmer love.

I heard a story the other day about a family that lived in a little apartment, but decided to move to a big house in the country. And a friend said to the 12-year-old son, Tony, "How do you like your new house?" And he said, "We love it. I have my own room. My brother has his own room. My sisters have their own rooms. But poor

Mom, she's still in with Dad." [*Laughter*] But the thing I like about Italian American families is that no matter how many rooms they have, they're still together. The family bond is strong and loving.

During the last campaign, I spoke frequently of the crucial values of family and work, neighborhood, religion, and personal freedom. And some critics claimed that it was an attempt on my part to appeal to various ethnic and religious voting blocks. Well, in a way, they were right. I happen, though, to believe in the values that so many of this nation's ethnic groups hold dear. I believe in the family; I believe in the faith that binds families together; I believe in tradition, and I don't mind sharing those beliefs one bit.

Perhaps some of you will remember that just a few years ago, those basic values were being forgotten at the highest levels of our government. The machinery of government even, at times, actively opposed them. Government intrusion into the life of the family and the community had reached unparalleled heights. And I don't think that government can exactly become a substitute for parents when it comes to raising a family.

By the time we came to Washington, Federal spending had tripled in the last 10 years. Federal taxes doubled in only the last 5 years. But somehow, all that taxing and spending and regulating wasn't making our values any stronger or our people any better off.

Well, with the help of New Jersey leaders like Millicent Fenwick, Representative Roukema, Congressman Jim Courter, Senator Brady, Governor Kean, and others, we've tried to turn a few things around. The growth in Federal spending has been cut nearly in half. We brought down inflation, the deadliest tax of all. It was 12.4 percent. A great many people aren't aware that today, and since January, it's only been 5.4 percent. Prime interest rates were 21½ percent in 1980. They're down to 13½ percent, and we want to bring them down even further, because that's still too high. Leading economic indicators, which forecast future economic activity, have been up for 4 months in a row.

Now, these statistics are cold comfort, I know, to someone who's still out of work. And every night when I turn in, I don't think anything is on my mind more than the people who want jobs and can't find them. Unfortunately, unemployment is just about the last indicator that perks up after a recession, and this is the eighth recession we've had since World War II. Well, let me tell you, we're going to knock that unemployment rate down just like we're knocking down interest rates and inflation. But in the meantime, unemployment benefits for those whose payments would otherwise have run out have been extended.

And right now, I'm going to make a little announcement here that might come as a surprise to our Representatives and to our future Senator from New Jersey. In spite of all of our cuttings, there are things that government has to do and should do. I'm pleased to announce that the Department of Housing and Urban Development has advised me that they've agreed to approve section 8 funding for 125 units of elderly housing at Park Place, in Ewing, New Jersey. And if you don't elect her Senator, we'll take it away. [*Laughter*]

Another threat to the family is crime. Many of you have written to me how afraid you are any more to walk the streets at night. Many older citizens are frightened to go out even during the daytime. It's time to get the hardened criminal off the street and into jail. And right now before the Congress is an omnibus anticrime package. Now in case—maybe some of the younger people here don't know what "omnibus" means. That means it's big. And it means that we're serious about fighting crime. It means we are going to give the victims the break instead of the criminal.

Now, I know you'd rather get back to eating, so I won't go through our entire legislative program. But what our administration is trying to do with all our legislation is protect the American family, because it's the backbone of the Nation.

What government must always keep in mind as it legislates and administers is the sanctity of the family, our basic social unit. If it is not sound, then our society is not sound. And the world at times may seem cold and dark, but the family is the light in

the window. It guides us and offers warmth. Family, faith, and freedom are the cornerstones of American life. This festival today is a celebration of those very ideals and a celebration of America's belief. So, I thank you for allowing me to be a part of it. I know that you're going to return these Representatives to the House of Representatives. I know that you're going to send Millicent Fenwick there to be your Senator.

And again, I say thank you, and God bless you.

Note: The President spoke at 5:21 p.m. at the Flemington Fairgrounds following remarks by New Jersey Governor Thomas Kean and Representative Millicent Fenwick, who spoke in Italian during a portion of her remarks.

The second annual San Gennaro Festival was sponsored by the Italian-American Club of Hunterdon County, and all proceeds were to be used for the club's scholarship fund.

San Gennaro is the patron saint of the Bay of Naples, through which many Italian immigrants passed en route to the United States in the early part of this century.

Following his remarks, the President returned to Washington, D.C.

Statement on the Murder of Palestinian Refugees in Lebanon
September 18, 1982

I was horrified to learn this morning of the killing of Palestinians which has taken place in Beirut. All people of decency must share our outrage and revulsion over the murders, which included women and children. I express my deepest regrets and condolences to the families of the victims and the broader Palestinian community.

During the negotiations leading to the PLO withdrawal from Beirut, we were assured that Israeli forces would not enter west Beirut. We also understood that following withdrawal, Lebanese Army units would establish control over the city. They were thwarted in this effort by the Israeli occupation that took place beginning on Wednesday. We strongly opposed Israel's move into west Beirut following the assassination of President-elect Gemayel, both because we believed it wrong in principle and for fear that it would provoke further fighting. Israel, by yesterday in military control of Beirut, claimed that its moves would prevent the kind of tragedy which has now occurred.

We have today summoned the Israeli Ambassador to demand that the Israeli Government immediately withdraw its forces from west Beirut to the positions occupied on September 14. We also expect Israel thereafter to commence serious negotiations which will, first, lead to the earliest possible disengagement of Israeli forces from Beirut and, second, to an agreed framework for the early withdrawal of all foreign forces from Lebanon.

Despite and because of the additional bloody trauma which adds to Lebanon's agonies, we urge the Lebanese to unite quickly in support of their government and their constitutional processes and to work for the future they so richly deserve. We will be with them.

This terrible tragedy underscores the desperate need for a true peace in the Middle East, one which takes full account of the needs of the Palestinian people. The initiative I announced on September 1 will be pursued vigorously in order to achieve that goal.

Note: On September 17, hundreds of Palestinian men, women, and children had been murdered in the Sabra and Shatila refugee camps, south of Beirut.

Radio Address to the Nation on Prayer
September 18, 1982

My fellow Americans:

Today is a special day for our citizens of Jewish faith. It's Rosh Hashanah, the Jewish New Year, marking the beginning of the year 5743 on the Hebrew calendar. So, to all of our friends and neighbors observing this holiday—and speaking for all Americans—I want to wish a happy, peaceful, and prosperous New Year.

Rosh Hashanah also reminds us of the rich and varied religious heritage we Americans are blessed with. More than any other nation, ours draws inspiration from the creeds of many peoples from many parts of the world. They came to our shores from different ports of origin at different times in our history. But all of them—from the men and women who celebrated the first Thanksgiving more than three and a half centuries ago, to the boat people of Southeast Asia—came here with prayers on their lips and faith in their hearts.

It's because of this shared faith that we've become, in the words of the Pledge of Allegiance, "one Nation under God, indivisible, with liberty and justice for all."

At every crucial turning point in our history Americans have faced and overcome great odds, strengthened by spiritual faith. The Plymouth settlers triumphed over hunger, disease, and a cruel northern wilderness because, in the words of William Bradford, "They knew they were pilgrims. So they committed themselves to the will of God and resolved to proceed."

George Washington knelt in prayer at Valley Forge and in the darkest days of our struggle for independence said that "the fate of unborn millions will now depend, under God, on the courage and conduct of this army."

Thomas Jefferson, perhaps the wisest of our Founding Fathers, had no doubt about the source from which our cause was derived. "The God who gave us life," he declared, "gave us liberty . . ."

And nearly a century later, in the midst of a tragic and at times seemingly hopeless Civil War, Abraham Lincoln vowed "that this nation, under God, shall have a new birth of freedom."

It's said that prayer can move mountains. Well, it's certainly moved the hearts and minds of Americans in their times of trial and helped them to achieve a society that, for all its imperfections, is still the envy of the world and the last, best hope of mankind.

And just as prayer has helped us as a nation, it helps us as individuals. In nearly all our lives, there are moments when our prayers and the prayers of our friends and loved ones help to see us through and keep on the right path. In fact, prayer is one of the few things in this world that hurts no one and sustains the spirit of millions.

The Founding Fathers felt this so strongly that they enshrined the principle of freedom of religion in the first amendment of the Constitution. The purpose of that amendment was to protect religion from the interference of government and to guarantee, in its own words, "the free exercise of religion."

Yet today we're told that to protect that first amendment, we must suppress prayer and expel God from our children's classrooms. In one case, a court has ruled against the right of children to say grace in their own school cafeteria before they had lunch. A group of children who sought, on their own initiative and with their parents' approval, to begin the schoolday with a 1-minute prayer meditation have been forbidden to do so. And some students who wanted to join in prayer or religious study on school property, even outside of regular class hours, have been banned from doing so.

A few people have even objected to prayers being said in the Congress. That's just plain wrong. The Constitution was never meant to prevent people from praying; its declared purpose was to protect their freedom to pray.

The time has come for this Congress to give a majority of American families what they want for their children—the firm as-

surance that children can hold voluntary prayers in their schools just as the Congress, itself, begins each of its daily sessions with an opening prayer.

With this in mind, last May I proposed to the Congress a measure that declares once and for all that nothing in the Constitution prohibits prayer in public schools or institutions. It also states that no person shall be required by government to participate in prayer who does not want to. So, everyone's rights—believers and nonbelievers alike—are protected by our voluntary prayer measure.

I'm sorry to say that so far the Congress has failed to vote on the issue of school prayer. Just this week, however, I asked Senate Majority Leader Howard Baker to bring this measure to a floor vote. I'm happy to say he told me he'll do everything he can to accomplish this. However, passage requires a vote by the House of Representatives, as well. So, I call on the House leadership to make an equal effort.

Today, on one of the holiest days of one of our great religious faiths, I urge the Members of the Congress to set aside their differences and act on this simple, fair, and long-overdue measure to help make us "one Nation under God" again.

Thank you. God bless you, and God bless America.

Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.

Statement on the Death of David Dubinsky, Former President of the International Ladies Garment Workers Union

September 18, 1982

As an honored veteran of the trade union movement, David Dubinsky earned the respect of employers and employees alike. A man of courage, vision, and integrity, he was a staunch foe of injustice whether its source was foreign or domestic, and he fought long and successfully to cleanse the American labor movement of both internal corruption and subversion by alien ideologies. In a long life, David Dubinsky served his adopted land with energy, dedication, and total loyalty. His passing will be mourned by all Americans who cherish the values of honesty, patriotism, and social justice.

Note: Mr. Dubinsky was president of the union from 1932 to 1966.

Nomination of Sharon Erdkamp Ahmad To Be United States Ambassador to The Gambia

September 20, 1982

The President today announced his intention to nominate Sharon Erdkamp Ahmad to be Ambassador to the Republic of The Gambia. She would succeed Larry Gordon Piper.

In 1956 Mrs. Ahmad entered the Foreign Service as economic officer in the Bureau of Economic and Business Affairs in the Department. She was economic officer in Rome (1958–1960), and consular officer in Curacao (1960–1962). In the Department she was international economist in the Office of Canadian Affairs in the Bureau of European Affairs in 1963–1966. In 1966–1970 she was economic officer in Islamabad. She resigned from the Foreign Service and was self-employed in Islamabad in 1971–1975. Reappointed to the Foreign Service, Mrs. Ahmad served as Director of the Office of International Trade in the

Bureau of Economic and Business Affairs (1975–1978) and Deputy Assistant Secretary of State for European Affairs (1978–1981). She was a member of the Executive Seminar in National and International Affairs at the Foreign Service Institute in 1981–1982.

Mrs. Ahmad graduated from the University of Omaha (B.A., 1955) and Northwestern University (M.A., 1956). Her foreign languages are Spanish, Italian, and French. She was born December 20, 1933.

Statement on Signing the Bus Regulatory Reform Act of 1982
September 20, 1982

I am pleased to sign into law today H.R. 3663, the Bus Regulatory Reform Act of 1982. One of the basic policies of my administration is that private enterprise should be as private as possible—guided by the market judgments of business managers rather than by the dictates of government regulators. Enactment of this legislation is a significant milestone in our efforts to deregulate one of our country's most vital economic sectors, the surface transportation industry.

Since the intercity bus industry was first regulated in 1935, it has been subject to Federal review and approval of business decisions on what markets to serve, where to pick up and drop off passengers, how much to charge for a ticket, and even how much to spend on interior decoration. The result, increasingly apparent in recent years, has been that the industry has paid a great price in terms of regulatory delay, inefficient operations, and stifled innovation. The price, of course, has ultimately been borne by the bus passenger.

The Bus Regulatory Reform Act is a major step toward removing these regulatory burdens. Regulatory standards will be simplified and procedures expedited. Carriers will be able to enter into new markets much more easily. "Closed-door" restrictions, which prevent carriers from picking up or letting off passengers at intermediate points, will generally be removed. Carriers will not have to apply separately for authority to carry packages as well as passengers.

Along with freer entry, there will be freer exit. Carriers are naturally reluctant to enter new markets or offer innovative services if they fear the government will not allow them to withdraw if their business judgment indicates they should. This new act recognizes that forcing a carrier to continue to operate unprofitable service does not make sense and will facilitate withdrawal from such markets.

In the important area of rates, this legislation provides for a gradually increasing zone within which carriers may raise or lower rates without seeking Interstate Commerce Commission (ICC) approval. The act will also phase out antitrust immunity for collectively set single-line and joint-line rates. After 3 years, ICC authority over rates that are not set collectively will end, except for continuing authority over predatory pricing.

With this legislation, we can expect to see better service to large and small communities across the Nation. We can expect to see more price options available to the consumer. And we can expect to see a more profitable and more efficient intercity bus industry, one which is governed by competitive market forces rather than by inefficient and protective government regulations.

Earlier legislation has reformed government regulation of the airline, rail, and truck industries. With the Bus Regulatory Reform Act of 1982, the intercity bus industry will also have the benefits of deregulation. While I believe that there is still too much Federal regulation of the transportation industries, this act is nevertheless a step in the right direction.

The bus industry and the people it serves represent a large and diverse group. Consequently, many parties with different interests have been concerned with this legislation. To ensure the interests of all these

parties have been well served has required the highest degree of skillful negotiation and a willingness on the part of all to reach legitimate compromises. I am aware of the personal interest and hard work of the leadership of the House and Senate, of Secretary of Transportation Drew Lewis, and of Chairman Reese Taylor of the Interstate Commerce Commission in developing this legislation. Particular appreciation is due to Senator Packwood, Senator Cannon, and Senator Danforth, and to Representative Howard, Representative Clausen, Representative Anderson, and Representative Shuster for the expeditious handling of this legislation.

I have also today determined to take appropriate action, as authorized by the Bus Regulatory Reform Act and pursuant to my authority as President, with the intent of resolving the transborder trucking issue. A copy of my determination is attached and will be transmitted to the Congress and published in the *Federal Register.*

Note: As enacted, H.R. 3663 is Public Law 97–261, approved September 20.

Memorandum on the Bus Regulatory Reform Act of 1982
September 20, 1982

Memorandum for the United States Trade Representative

Subject: Determination under the Bus Regulatory Reform Act of 1982

The Bus Regulatory Reform Act of 1982 addresses in Section 6 the issue of transborder trucking. It imposes a moratorium on the issuance of certificates or permits to motor carriers domiciled in, or owned or controlled by persons of, a contiguous foreign country. I am authorized to remove the moratorium in whole or in part for any country or political subdivision thereof upon determining that such action is in the national interest. I must also provide written notice to the Congress of such removal or modification before it becomes effective. Sixty days' advance notice to the Congress is required whenever the removal or modification applies to a foreign contiguous country or political subdivision thereof which substantially prohibits the granting of motor carrier authority to persons from the United States. I hereby determine that this sixty-day advance notification provision is not now applicable to Canada.

The transborder trucking issue has been the subject of extensive discussions between the United States and Canada and between the United States and Mexico. Because of the importance of fair and open competition in this important service sector, I am today instructing you, as my Trade Representative, to intensify our efforts to negotiate a fair and equitable resolution of this issue with both Canada and Mexico.

I regret that with respect to Mexico there has not yet been progress sufficient to justify a modification of the moratorium. A substantial disparity remains between the relatively open access afforded Mexican trucking service coming into the United States and the almost complete inability of United States trucking interests to provide service into Mexico.

In the case of Canada, our trucking industry is not now, nor has it been, precluded from providing services into that country. However, our regulatory schemes do now differ. Since the United States deregulation legislation, Canadian trucking interests could have an opportunity to provide single-line service into the United States more easily than their United States counterparts can provide into Canada. In addition, United States firms seeking to become established in Canada may be subjected to investment restrictions not facing their Canadian competitors.

I believe that our national interest is best served by fair and equitable competition between United States and Canadian trucking interests in our two markets.

Therefore, under my authority to remove

in whole or in part the moratorium imposed in Section 6 of the Bus Regulatory Reform Act which prohibits issuance of certificates or permits to motor carriers domiciled in, or owned or controlled by persons of, a contiguous foreign country, I hereby find that it is in the national interest to modify the moratorium by suspending it insofar as Canada is concerned as set forth below.

Accordingly, you are directed to notify the Congress today on my behalf that, effective tomorrow: (1) The moratorium for Canada is suspended insofar as necessary to permit the Interstate Commerce Commission (ICC) to grant authority to motor carriers under the appropriate sections of 49 U.S.C. subtitle IV. This suspension is expressly conditioned upon the Commission, in making determinations on whether the proposed transportation serves a "useful public purpose" or is in the "public interest," according great weight to the national transportation policy, particularly the mandates to promote "economical and efficient transportation," and "to encourage sound economic conditions in transportation including sound economic conditions among carriers." Such determinations by the Commission shall be consistent with the directives of the United States Trade Representative concerning the international trade policy of the United States; (2) The moratorium in regard to Canadian applicants is further modified by suspending it to permit the ICC to issue temporary and emergency temporary authority, and to issue certificates in motor carrier merger, consolidation, and acquisition of control proceedings, and motor carrier restriction removal proceedings; (3) The moratorium is further modified by suspending it insofar as issuance of ICC authorities to Canadian carriers for domestic traffic in the United States under the appropriate sections of 49 U.S.C. subtitle IV is concerned. Canadian-owned, controlled, or domiciled firms will be able to apply for and receive ICC authority for operations wholly within the United States.

Finally, having directed you to seek an understanding with Canada that will ensure the fair and equitable treatment of both Canadian and United States trucking interests on both sides of the border, I further direct you to report back to me within sixty days on those discussions. It is my expectation that such time should be sufficient for an appropriate understanding to allow me to finally remove the moratorium.

This determination shall be published in the *Federal Register.*

RONALD REAGAN

[*Filed with the Office of the Federal Register, 5:10 p.m., September 20, 1982*]

Announcement of the Annual President's Volunteer Action Awards Program

September 20, 1982

The President today announced the second annual President's Volunteer Action Awards, a program designed to honor outstanding volunteer achievements and to call public attention to what can be accomplished through voluntary action.

The President will present the awards in April at a White House ceremony. Awards will be made in 10 categories: jobs, health and mental health, the environment, material resources, education, public safety, arts and humanities, human services, international volunteering, and the workplace.

VOLUNTEER, The National Center for Citizen Involvement, and ACTION, the Federal agency of voluntarism, will cosponsor the program in a unique, cooperative effort between the private sector and government. Funding for the program is provided by private sector corporate and foundation sponsors.

In announcing the program, the President said: "I just wish those who are pessimistic about the future of America could

see an overview of this surge of creative and humanitarian action. We believe it should be recognized, encouraged, and promoted. And that's why we established the President's Volunteer Action Awards, to focus public attention on the accomplishments of our nation's volunteers."

VOLUNTEER is the primary national organization supporting greater citizen involvement in problem-solving. It provides a broad range of technical assistance services to volunteer-involving organizations, public agencies, unions, and corporations. It works closely with a network of approximately 225 associated Voluntary Action Centers and over 1,000 other local, State, and national organizations.

ACTION serves to stimulate voluntarism and to demonstrate the effectiveness of volunteers in addressing social problems. Its major programs include the Foster Grandparent, Retired Senior Volunteer, and Senior Companion programs for the elderly, and a variety of programs for youth. ACTION also promotes private sector initiatives by providing short-term grants to innovative volunteer projects in such areas as literacy and drug abuse.

Sixteen individuals and groups and two corporations received the first awards at a White House ceremony on April 15, 1982.

Note: The White House press release contained a list of the recipients of the 1982 awards, which were presented in April 1982.

Message to the Congress Transmitting the United States-Japan Fishery Agreement
September 20, 1982

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94–265; 16 USC 1801), I transmit herewith a governing international fishery agreement between the United States and Japan signed at Washington on September 10, 1982.

This agreement is one of a series to be renegotiated in accordance with that legislation to replace existing bilateral fishery agreements which are due to expire this year. I urge that the Congress give favorable consideration to this agreement at an early date and recommend that Congress consider issuance of a joint resolution to bring this agreement into force before the agreement expires on December 31, 1982.

RONALD REAGAN

The White House,
September 20, 1982.

Address to the Nation Announcing the Formation of a New Multinational Force in Lebanon
September 20, 1982

My fellow Americans:

The scenes that the whole world witnessed this past weekend were among the most heart-rending in the long nightmare of Lebanon's agony. Millions of us have seen pictures of the Palestinian victims of this tragedy. There is little that words can add, but there are actions we can and must take to bring that nightmare to an end.

It's not enough for us to view this as some remote event in which we, ourselves, are not involved. For our friends in Lebanon and Israel, for our friends in Europe and elsewhere in the Middle East, and for us as

Americans, this tragedy, horrible as it is, reminds us of the absolute imperative of bringing peace to that troubled country and region. By working for peace in the Middle East, we serve the cause of world peace and the future of mankind.

For the criminals who did this deed, no punishment is enough to remove the blot of their crime. But for the rest of us, there are things that we can learn and things that we must do. The people of Lebanon must have learned that the cycle of massacre upon massacre must end. Children are not avenged by the murder of other children. Israel must have learned that there is no way it can impose its own solutions on hatreds as deep and bitter as those that produced this tragedy. If it seeks to do so, it will only sink more deeply into the quagmire that looms before it. Those outsiders who have fed the flames of civil war in Lebanon for so many years need to learn that the fire will consume them, too, if it is not put out. And we must all rededicate ourselves to the cause of peace. I reemphasize my call for early progress to solve the Palestinian issue and repeat the U.S. proposals which are now even more urgent.

For now is not the time for talk alone; now is a time for action—to act together to restore peace to Beirut, to help a stable government emerge that can restore peace and independence to all of Lebanon, and to bring a just and lasting resolution to the conflict between Israel and its Arab neighbors, one that satisfies the legitimate rights of the Palestinians, who are all too often its victims.

Our basic objectives in Lebanon have not changed, for they're the objectives of the Government and the people of Lebanon themselves. First and foremost, we seek the restoration of a strong and stable central government in that country, brought into being by orderly constitutional processes. Lebanon elected a new President 2 short weeks ago, only to see him murdered even before he could assume his office. This week a distressed Lebanon will again be electing a new President. May God grant him safety as well as the wisdom and courage to lead his country into a new and happier era.

The international community has an obligation to assist the Government of Lebanon in reasserting authority over all its territory. Foreign forces and armed factions have too long obstructed the legitimate role of the Government of Lebanon's security forces. We must pave the way for withdrawal of foreign forces.

The place to begin this task is in Beirut. The Lebanese Government must be permitted to restore internal security in its capital. It cannot do this if foreign forces remain in or near Beirut. With this goal in mind, I have consulted with our French and Italian allies. We have agreed to form a new multinational force, similar to the one which served so well last month, with the mission of enabling the Lebanese Government to resume full sovereignty over its capital, the essential precondition for extending its control over the entire country.

The Lebanese Government, with the support of its people, requested this help. For this multinational force to succeed, it is essential that Israel withdraw from Beirut. With the expected cooperation of all parties, the multinational force will return to Beirut for a limited period of time. Its purpose is not to act as a police force, but to make it possible for the lawful authorities of Lebanon to discharge those duties for themselves.

Secretary Shultz, on my behalf, has also reiterated our views to the Government of Israel through its Ambassador in Washington. Unless Israel moves quickly and courageously to withdraw, it will find itself ever more deeply involved in problems that are not its own and which it cannot solve.

The participation of American forces in Beirut will again be for a limited period. But I've concluded there is no alternative to their returning to Lebanon if that country is to have a chance to stand on its own feet.

Peace in Beirut is only a first step. Together with the people of Lebanon, we seek the removal of all foreign military forces from that country. The departure of all foreign forces at the request of the Lebanese authorities has been widely endorsed by Arab as well as other states. Israel and Syria have both indicated that they have no territorial ambitions in Lebanon and are pre-

pared to withdraw. It is now urgent that specific arrangements for withdrawal of all foreign forces be agreed upon. This must happen very soon. The legitimate security concerns of neighboring states, including, particularly, the safety of Israel's northern population, must be provided for. But this is not a difficult task, if the political will is there. The Lebanese people must be allowed to chart their own future. They must rely solely on Lebanese Armed Forces who are willing and able to bring security to their country. They must be allowed to do so, and the sooner the better.

Ambassador Draper, who's been in close consultation with the parties concerned in Lebanon, will remain in the area to work for the full implementation of our proposal. Ambassador Habib will join him, will represent me at the inauguration of the new President of Lebanon, and will consult with the leaders in the area. He will return promptly to Washington to report to me.

Early in the summer, our government met its responsibility to help resolve a severe crisis and to relieve the Lebanese people of a crushing burden. We succeeded. Recent events have produced new problems, and we must again assume our responsibility.

I am especially anxious to end the agony of Lebanon because it is both right and in our national interest. But I am also determined to press ahead on the broader effort to achieve peace between Israel and its Arab neighbors. The events in Beirut of last week have served only to reinforce my conviction that such a peace is desperately needed and that the initiative we undertook on September 1st is the right way to proceed. We will not be discouraged or deterred in our efforts to seek peace in Lebanon and a just and lasting peace throughout the Middle East.

All of us must learn the appropriate lessons from this tragedy and assume the responsibilities that it imposes upon us. We owe it to ourselves and to our children. The whole world will be a safer place when this region which has known so much trouble can begin to know peace instead. Both our purpose and our actions are peaceful, and we're taking them in a spirit of international cooperation.

So, tonight, I ask for your prayers and your support as our country continues its vital role as a leader for world peace, a role that all of us as Americans can be proud of.

Thank you, and God bless you.

Note: The President spoke at 5 p.m. from the Oval Office at the White House. His address was broadcast live on nationwide radio and television.

Statement on Arms Control Policies and Negotiations
September 21, 1982

In our efforts to help build a more stable and peaceful world, there is no more essential objective than to shape defense and arms control policies which will guarantee the safety of our nation and of our allies. Shortly after assuming office, I called for a comprehensive evaluation of our arms control policies and proposals for new initiatives. In doing so, I outlined the general principles which should guide formation of our arms control policies.

—Arms control must be an instrument of, and not a substitute for, a coherent security policy aimed in the first instance at the Soviet advantage in the most destabilizing class of weapons, those on ballistic missiles, and especially intercontinental ballistic missiles (ICBM's). We will work for agreements that truly enhance security by reinforcing peace through deterrence.

—We must seek agreements which involve substantial and militarily significant reductions on both sides.

—Agreements must be based on the principle of equality of rights and limits.

—Arms control agreements must include effective means of verification. They cannot be based on trust alone.

—Our efforts will be guided by seriousness of purpose, reflected in our willingness to seek reduction to significantly lower levels of nuclear forces, based on equal, balanced levels of comparable systems.

These principles are in full accord with the basic purpose for both U.S. and NATO security policy—ensuring the peace through deterrence of aggression. Deterring nuclear or conventional attack against ourselves or our allies must guide our approach to defense and arms control. These principles also lie at the heart of the comprehensive and innovative arms control approaches which this administration has adopted. In each of the three most important areas of arms control—strategic nuclear arms, intermediate-range nuclear forces, and conventional forces in Europe—we have presented to the Soviet Union bold and equitable proposals, proposals which are in our mutual interest and which provide the opportunity to enhance world security and peace by significantly reducing the arsenals of both sides.

In each of these three negotiations the United States has presented considered and equitable proposals which seek to establish a military equilibrium at reduced levels, eliminate the most destabilizing factors in the existing military balance, and enhance the security of both sides. When our national security and that of our allies is at stake, we must approach arms control realistically. We do not seek agreements for their own sake, we seek them to build international security and stability.

This administration's reductions proposals for strategic and intermediate-range nuclear forces, and for conventional forces, reflect this approach. We are encouraged by the serious and businesslike conduct of these negotiations thus far. Although much hard bargaining lies ahead, I am determined to bargain in good faith until our objectives can be realized. We urge on our Soviet negotiating partners equal seriousness of purpose.

Our arms control policies will continue to receive my close personal attention. Ambassadors Rowny, Nitze, and Staar have been in Washington recently during scheduled recesses in the negotiations. In each area we have carefully assessed the status of negotiations and our positions. In each case the negotiations remain on course, and our three negotiators will return shortly with a renewed mandate to pursue our objectives.

Prior to their departure, Ambassadors Rowny and Nitze will brief the Congress on the negotiations. Such regular consultations are also an essential part of our approach. This administration can have no higher purpose than to achieve progress toward meaningful arms control which promotes international peace and security.

Note: On the same day, the President met in the Oval Office with Ambassadors Paul H. Nitze, Edward L. Rowny, and Richard F. Staar, who were preparing to return to Europe for the next round of the three major arms reduction negotiations in which the United States is involved: Ambassador Nitze to Geneva, Switzerland, on September 30, for negotiations on intermediate-range nuclear forces; Ambassador Rowny to Geneva on October 6, for the second round of the Strategic Arms Reduction Talks (START); Ambassador Staar to Vienna, Austria, on September 23, to commence the next round of talks on the reduction of conventional forces in Europe, the Mutual and Balanced Force Reduction Talks (MBFR).

Other participants in the meeting included Secretary of State George P. Shultz, Secretary of Defense Caspar W. Weinberger, Eugene V. Rostow, Director of the United States Arms Control and Disarmament Agency, Assistant to the President for National Security Affairs William P. Clark, and Deputy Assistant to the President for National Security Affairs Robert C. McFarlane.

Proclamation 4973—Honoring the Ukrainian Helsinki Monitoring Group

September 21, 1982

By the President of the United States of America

A Proclamation

The spontaneous formation on November 9, 1976, in Kiev, Ukraine, of the Ukrainian Public Group to Promote the Implementation of the Helsinki Accords affirmed once more that the human spirit cannot be crushed and that the desire for human freedom cannot be conquered.

The long prison terms meted out to members of the Ukrainian Helsinki Monitoring Group for their courageous activities to secure greater freedom in Ukraine are graphic testimony to the inability of Communism to compete with the principles of freedom in the marketplace of ideas. The flagrant persecution and imprisonment of Ukrainian citizens for their attempts to exercise basic human rights is an international embarrassment to the Soviet Union and proof that the Soviet Union has failed to live up to its pledges to honor the understandings embodied in the Helsinki Accords.

In commemorating this sixth anniversary of the founding of the Ukrainian Helsinki Monitoring Group, we renew our determination never to forget the valiant struggle of the peoples of Ukraine for their inalienable rights, and we pledge to do all we can to ameliorate the plight of those Ukrainians who have been persecuted by the Soviet authorities for attempting to assert their rights.

By a concurrent resolution agreed to on June 21, 1982 (H. Con. Res. 205), the Congress authorized and requested the President to proclaim November 9, 1982, the sixth anniversary of the establishment of the Ukrainian Public Group to Promote the Implementation of the Helsinki Accords, as a day honoring that Group.

On this day Americans are reminded of the preciousness of our own freedom, and we reaffirm our cherished hope that the aspiration for freedom will ultimately prevail over the morally bankrupt rule of force which denies human rights to so many in the world today.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate November 9, 1982, as a day honoring the sixth anniversary of the establishment of the Ukrainian Public Group to Promote the Implementation of the Helsinki Accords.

In Witness Whereof, I have hereunto set my hand this 21st day of Sept. in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 3:57 p.m., September 21, 1982*]

Appointment of Six Members of the Board of Trustees of the John F. Kennedy Center for the Performing Arts

September 21, 1982

The President today announced his intention to appoint the following individuals to be members of the Board of Trustees of the John F. Kennedy Center for the Performing Arts, Smithsonian Institution, for terms expiring September 1, 1992:

Cary Grant, a former actor, who resides in Beverly Hills, Calif. He was honored with the Life Achievement Award by the John F. Kennedy Center for the Performing Arts in 1981. He

was also a recipient of a Special Academy Award for contributions to the film industry given by the board of governors and peers of the Academy of Motion Picture Arts and Sciences in 1969. He is married and has one child. He will succeed Abe Fortas.

Alice H. Hanley, a homemaker in Greenwich, Conn. She is former vice president, corporate finance, for New York Securities Co., Inc., in New York, N.Y. She graduated from Skidmore College (B.A., 1965). She is married and has two children. She will succeed Benjamin A. Trustman.

Alice S. Marriott, vice president of the Marriott Corp. in Washington, D.C. She is married, has two children, and resides in Washington. This is a reappointment.

Dina Merrill, an actress, who resides in New York, N.Y. She is a former member of the New York State Council of the Arts and the Junior Council of the Museum of Modern Art. She is a member of the board of directors of the E. F. Hutton Group. She is married and has three children. She will succeed Kathrine Dulin Folger.

Donna Tuttle, a political consultant, who resides in Los Angeles, Calif. She is a member of the Decorative Arts Council and a member of the Alliance Board of the Natural History Museum. She is married and has two children. She will succeed Ronald H. Nessen.

Mrs. Jack Wrather, vice president and member of the board of directors of the Wrather Corp. in Beverly Hills, Calif. Mrs. Wrather, a former actress, is a member of the Alliance for Arts Education Committee for the John F. Kennedy Center and a member of the American Film Institute. She is married and has three children. This is a reappointment.

Remarks at a Fundraising Reception for United States Senate Candidate David F. Emery

September 21, 1982

Thank you. Thank you very much. It's great to see you all in this particular political season and to be here with Dave Emery. I'd like to be with Dave in Maine, but I know that when he goes home he has that habit of walking across the State. [*Laughter*] And I've got to save my energy to deal with the big spenders—[*laughter*]—on the Hill. But really, the truth is, Dave, I wasn't in the infantry. I was a cavalryman. [*Laughter*] Now, if you, you know, talked about a—maybe a horseback ride across the State—[*laughter*]. But, on the other hand, I can look at Bob Packwood and see what happens. [*Laughter*][1]

Now, Dave Emery is in a tight race, but let me remind you of what he himself has proved so well in these past 8 years. Dave Emery is a winner. He's a man who's right for Maine. With your full support, I'm convinced that Dave Emery will be a winner again, putting all his judgment and experience to work as the next Senator elected from Maine.

It doesn't make any sense for Maine to have Senator Cohen there and then have somebody over there that's canceling his vote on all the important issues.

We need Dave's wisdom, and we need his courage. He trusts the people because he knows America's strength is in the hearts of our people and, forgive me, but not in the bureaucracy here in Washington. And Dave has the courage to stand up to special interests and to say, "No, we'll not go back to more big spending and big taxing. They're not the answers to our problems; they are the problems."

The greatest challenge we face is to get unemployed Americans back to work. With Dave's support we've made solid progress against the two biggest barriers to a growing economy. I'm talking about double-digit inflation and high interest rates. It was those twin evils that we inherited which brought our economy to its knees and threw so many people out of work.

You know, we tend to forget that. Some of us who were campaigning back in 1980

[1] *Senator Bob Packwood of Oregon was using crutches, following a cartilage operation.*

when the other fellows were here have to remember back. What is it we were talking about in that campaign? Well, I remember campaigning in the Midwest, in one particular hard-hit State, and referring to it as a depression. And the then-incumbent President took me to task and said, "Oh, no. Technically, it was a recession." Well, where I was it was a depression.

And the other day, the mayor of Detroit was in the White House to see me, and he told me unemployment was 20 percent in Detroit. And I couldn't resist. I said, "Mr. Mayor, 2 years ago when I was campaigning there it was 18 percent—almost up to that 20." But it was those high interest rates in two industries, either one of which can virtually cause a recession by itself—the automobile industry and homebuilding.

But in 2 years, by reducing the growth of spending and taxes, we've cut the rate of price increases. They were 12.4 percent; since January, they're 5.4 percent, and we're not finished yet. We've also beaten down interest rates. They were 21½ percent then. Now, they're 13½, and we can bring them down even more and keep them down.

We've made a good beginning, but we're not home yet. Today, America is like a runner who, chronically out of shape, finally gets into training and expends great effort and completes most of the race, and then comes into the home stretch and looks down the line at the tape. And he knows he's going to have to redouble his efforts in that stretch run, and inside of him he's hearing two voices. One of them says, "You've done so well. You've come so far. Don't quit now." And a second says, "It's too hard. It's impossible. You're never going to make it."

Well, I believe with all my heart that our progress against inflation and interest rates puts us much closer than we were 2 years ago to a stronger, more prosperous economy, without inflation for all our citizens. But this is an election year, and the air is filled with liberal voices talking big talk about fairness and compassion. They would urge the American people to turn their backs on everything that we've accomplished together. And to listen to their horror stories about budget cuts, you'd have to like horror movies.

When they talk about fairness, I have to ask them, where have they been? It was just less than 2 years ago, as I say, when they turned over control of the Government to us, and we were left to cope with the worst combination of high inflation and high interest rates and taxation in more than 100 years, and we didn't hear any words about fairness then.

The other question is, where would they take us now? And the answer is right back to the same swamp that we're trying to get out of. They're not promoting fairness; they're selling the same old snake oil. The truth is—and this is what makes it so tough—they don't know it's snake oil. They honestly can't see that their policies brought us to the brink of disaster. And yet, they want another blank check to spend more money. They resist a constitutional amendment against red-ink spending, even though 80 percent of the American people think it's a good idea. and they want to take away the third year of the tax cut and indexing—two provisions which benefit low- and middle-income families the most.

A family living at the poverty level today has some $472 more in purchasing power than he would, that family would, if inflation had stayed at the same rate that it was 20 months ago.

On each of these issues, Dave Emery comes down for fairness—fairness to the people who pay the government's bills, while they struggle to pay their own. His opponent would tax the family budget, and the Federal budget would continue to grow and grow. We just have to save his opponent from himself. And we're not going to let ourselves be dragged back down into the swamp. With Dave Emery's help and with your help, we're going to make it to the high ground and make America strong and prosperous and keep her free.

So, I'm glad to be here with him, and there he is, and you're going to send him back to Washington. It won't be a new place for him; he'll just move across to another part of the Capitol building. God bless you all for being here. Thank you for what you're doing.

I just have to tell you, this morning the

day started out with Miss U.S.A. coming into the office and then was followed by Miss Teenage America. And I said, "From here, the day's got to do downhill." And what do you know—[*laughter*]—it didn't go downhill at all. It's kept on going up, thanks to you.

Note: The President spoke at 3:37 p.m. at the Hyatt Regency Hotel.

Remarks at a Meeting With Officials of Black Colleges and Universities

September 22, 1982

Thank you very much. I don't deserve that much applause when I'm late. [*Laughter*]

Well, it's a pleasure for me to have all of you back with us at the White House to commemorate the first anniversary of Executive Order 12320 and to reconfirm this administration's ongoing commitment to historically black colleges and universities.

Some of you may be aware that I attended a small college in Illinois—Eureka, Illinois. I've gotten used, over the years, to when someone says, "Where did you go to school?" and I say, Eureka College—"Where's that?" But that was back in the bleak days of the Depression when I was there, and it was a struggle just to keep the doors of our college open. In the exuberance of youth I was not as understanding of the folks trying to pay the bills and manage to meet the budget as I am now. I ended up participating as a freshman in the first student protest in the history of that college. [*Laughter*] And now, before you decide you're face to face with a student radical, let me say that even now, in hindsight, though, I believe our cause was just. And we didn't break a single window and we had no picket lines and we didn't carry any placards or signs.

But seriously, there are only a few jobs harder than being President of the United States, and one of them is being president of a college. Sometimes I think that you must think to yourselves on certain occasions—not always, but on certain occasions, that maybe when you give them the diploma and they become alumni, that you should say, "And never darken our doors again." [*Laughter*]

But your task is, in the longrun, just as vital to the future of this country as this particular job is. Frederick Douglass, an adviser to President Lincoln and, if I might add a partisan note, one of the first great black Republicans, once said, "A little learning may be a dangerous thing, but the want of learning is a calamity to any people."

During these times when we're all trying to pull our country out of an economic disaster brought on by a decade of irresponsibility, we want to make certain that your institutions, colleges and universities which are so significant to the heritage of black America, are not damaged by economic conditions that you had no part in creating. That was an important reason behind our decision last year to move forward decisively in this area.

Today, I want to reaffirm this administration's continued commitment—not only so that your institutions will survive but so that they will flourish. Last year when we gathered to announce the issuing of the Executive order, I don't doubt that there were skeptics who took a wait-and-see attitude. Last week when I spoke to a gathering of black Republicans over at the Shoreham Hotel, I told them we should look at the record.

Well, I understand that Secretary Bell and Secretary Pierce and others have been reviewing with you the record of the last 12 months. I deeply believe it's a record of real accomplishment, a record of promises kept.

Although I don't want to go over ground that's already been covered, I'd like to mention that I'm particularly proud that we were able to come to the aid of Meharry Medical College when circumstances

threatened its survival. Together, we were able to keep this vital door open into the medical profession as it befits the black community. Meharry, a school that has trained 40 percent of all black physicians, was facing an avalanche of problems. And we became aware of the need and acted. Among other things, it was in danger of losing its accreditation because it lacked access to a sufficient number of patients to provide its students with the proper clinical training. We directed the Veterans Administration to expand an already existing affiliation with Meharry so that 200 additional teaching beds would be available at a nearby veterans hospital.

It's this kind of creative and timely action that we had in mind when we issued last year's Executive order. I know you've heard other examples of what's been accomplished, but that was last year. Let's talk about the future.

Today I'm pleased to announce that I'm issuing a new Presidential directive to the heads of all Federal departments and agencies that will clarify and strengthen Executive Order 12320 and ensure the continued attention to the issues that affect you most. We're directing the Federal departments and agencies to target Federal program funds to improve the administrative infrastructure of historical black colleges. Agencies are further directed, even in this era of necessary budget cuts, to strive to increase the percentage of total available funds that black colleges and universities will receive. Third, they're to step up efforts to eliminate regulations in policies that are barriers to your full participation in Federal programs.

The last and potentially most important part of this directive focuses on the need to further enlist the resources of the private sector in our efforts to support historically black colleges and universities. The emphasis on the private sector is consistent with the general philosophy of this administration. We happen to believe there are vast untapped resources out there, because for too long people have looked only to government. I want to especially acknowledge all Vice President Bush has done to get this ball rolling. He's held receptions on two occasions in his home, playing host to many of you, and also the chief executive officers of 50 major corporations.

We now need to move toward campus-based action programs, and I'm counting on the private sector office in the White House to provide you with the guidance and creative energy necessary to tap the vitality of the private sector, so it can be used where it'll do the most good.

Of course, making any initiative a success requires the energy and creative talents of dedicated men and women. I'm particularly proud of the team that emerged over the last 12 months. Secretary Bell has provided superb leadership, and with him in the Department of Education there's another man who has been doing a magnificent job in your behalf. And I am, of course, referring to Dr. Tom Melady—Melady, I should say. That wasn't mispronunciation, that was just not seeing good—[*laughter*]—my own notes.

But, Dr. Melady, I want to congratulate you on a job well done. I understand you'll soon be returning to your duties as president of Sacred Heart University. We'll miss you, but we can appreciate that there are others who need your talent. And although Dr. Melady is going, we can all count on the continued efforts of such fine people as Dr. Ed Elmendorf, Dr. Margaret Seagears, and Dr. William Butts, who'll be working directly with Secretary Bell on issues concerning historically black colleges.

Finally, the emphasis on the directive I'm issuing today is, as I mentioned, channeling the power of the private sector into this area of concern. If you'll pardon these private thoughts, our goal is to get you through a particularly rough time—not only a time of economic uncertainty, also a time when you're reexamining your fundamental role in American education. We fully expect that as our program is successful, due to your efforts as well as ours, your operations will become self-sufficient. That's our ultimate goal, and I'm certain that it's yours as well.

Over the last few decades, no greater harm has been done than by government programs designed so poorly that they maneuvered people in need into a terrible dependency. Instead of strengthening recipients and helping them along the way, many

well-intentioned programs did nothing but destroy pride and create a feeling of helplessness among those who needed encouragement and hope.

Perhaps this is why your institutions are so important for us to preserve. You are a symbol that even in times of great adversity, men and women can work together and improve their lot. In a shameful period of American history, you offered hope and provided a vehicle for advancement to millions of Americans. Your story can serve to inspire all those who struggle to better themselves. And today, I'm proud that I've been given this opportunity to be a part of repaying you for all that you've done for America.

When I spoke at the Shoreham last week, I mentioned that if those who share my philosophy have had any failure, it's been a failure to communicate what's in our hearts to the black community. This has led to misunderstanding and, sometimes, mistrust. I hope that next Monday, when the Nation celebrates Black College Day, that you'll share with others the legitimate concern that this administration has shown towards your problems and our sincere dedication to equality of opportunity for all Americans.

The other night I found a quote by Alexis de Tocqueville, that Frenchman who came here almost 150 years ago, that expresses it well: "Democracy and socialism," de Tocqueville said, "have nothing in common but one word—equality. But notice the difference: While democracy seeks equality in liberty, socialism seeks equality in restraint and servitude."

So today, let's move forward together, striving for equality through liberty. That's what America is all about. Thank you all for being here today, and God bless each one of you.

Thank you.

Note: The President spoke at 11:37 a.m. in the East Room at the White House.

Memorandum Concerning Historically Black Colleges and Universities

September 22, 1982

Memorandum for the Heads of Executive Departments and Agencies

As part of our continuing commitment to help strengthen Historically Black Colleges and Universities, a commitment begun when I issued Executive Order 12320 on September 15, 1981, I am hereby directing all Federal agency heads to implement the following three policies as they continue with their efforts to comply with Executive Order 12320:

• Wherever possible, agencies should place emphasis on the use of program funds to help improve the administrative infrastructures of Historically Black Colleges and Universities.

• In cases where agencies project decreased funding for all higher education institutions, they should strive to increase the *percentage share* allocated to Historically Black Colleges and Universities.

• Agencies should continue efforts to eliminate identified barriers to Historically Black Colleges and Universities participation in Federal programs and accelerate activities to single out policies or regulations which inhibit full participation in such programs by Historically Black Colleges and Universities.

Heads of Key Agencies Providing Federal Support for Historically Black Colleges and Universities (see attached list) shall use these policies in preparing their Annual Performance Reports, which must be submitted to the Secretary of Education after the close of the fiscal year in accordance with Section 3 of Executive Order 12320. The Secretary of Education shall use these policies in developing the Annual Federal Performance Report on Executive Agency Actions to Assist Historically Black Colleges,

as required by Section 7 of the Executive Order. Heads of Key Agencies should ensure that these policies are followed in developing all other reports required by the Executive Order.

Additionally, I have directed that the White House Office of Private Sector Initiative work in cooperation with the Department of Education's White House Initiatives staff to place special emphasis on increasing development of private sector support for Historically Black Colleges and Universities.

Your support for the efforts mandated by Executive Order 12320 is vital. We must all communicate clearly and sincerely through our actions our intention to preserve a measure of security for Historically Black Colleges and Universities while we work together toward developing strength through independence and institutional self-sufficiency.

RONALD REAGAN

Key Agencies Providing Federal Support for Historically Black Colleges and Universities

Department of Agriculture
Department of Commerce
Department of Defense
Department of Education
Department of Energy
Department of Health and Human Services
Department of Housing and Urban Development
Department of the Interior
Department of Justice
Department of Labor
Department of State
Department of Transportation
Department of the Treasury
Agency for International Development
Appalachian Regional Commission
Central Intelligence Agency
Environmental Protection Agency
Equal Employment Opportunity Commission
International Communication Agency
National Aeronautics and Space Administration
National Credit Union Administration
National Endowment for the Arts
National Endowment for the Humanities
National Science Foundation
Nuclear Regulatory Commission
Small Business Administration
Veterans Administration

Appointment of Leo F. Callahan as a Member of the Advisory Board of the National Institute of Justice

September 22, 1982

The President today announced his intention to appoint Leo F. Callahan to be a member of the National Institute of Justice Advisory Board, Department of Justice, for the remainder of the term expiring January 11, 1984. He would succeed Alexander Green.

Mr. Callahan has been serving as chief of police for the Fort Lauderdale Police Department since 1973. He has been with the Fort Lauderdale Police Department since 1956, when he was appointed as a police officer. He served in all divisions of the police department and received numerous commendations, both public and official. He is a past director of the Florida Chiefs of Police Association and is a member of the International Association of Chiefs of Police.

He attended Fort Lauderdale University (1957–1959) and Broward Community College (1966–1968). He graduated from Nova University (M.S., 1978). He is married, has two children, and resides in Fort Lauderdale, Fla. He was born October 27, 1932.

Announcement of the Establishment and Membership of the Cabinet Council on Management and Administration
September 22, 1982

The President today announced the creation of the Cabinet Council on Management and Administration. This addition to the six existing Cabinet Councils will exercise White House control and supervision over the "Reform 88" Task Force, a long-term (6+ years) program to improve the management and administrative systems of the Federal Government. It will also monitor implementation of the recommendations of the President's Private Sector Survey on Cost Control and formulate government-wide policies pertaining to such executive branch management, administrative, and personnel issues as may arise from time to time.

The Cabinet Council on Management and Administration will be composed of, as a minimum, the Secretaries of the Treasury, Defense, Commerce, Health and Human Services, and Transportation; also, the Directors of the Office of Management and Budget, General Services Administration, and the Office of Personnel Management.

The President is Chairman of all seven Cabinet Councils. Edwin Meese III, Counsellor to the President, will serve as Chairman pro tempore of the Cabinet Council on Management and Administration.

Other Departments will be invited to participate when appropriate. A Cabinet member may attend meetings of the Cabinet Council on Management and Administration if the items under discussion are of interest. When the situation warrants, other agency heads will be invited to participate.

As with all the Cabinet Councils, the Vice President, the Chief of Staff to the President, and the Assistant to the President for Policy Development are ex officio members.

Statement on Proposed National Debt Retirement Legislation
September 22, 1982

Today I am submitting to Congress the "National Debt Retirement Act of 1982." When enacted, this law will place in the Treasury proceeds from the sales of surplus Federal real property for use solely to retire the national debt.

Federal lands are a tremendous, often unrecognized, capital asset of this country. In Executive Order 12348 I established a Property Review Board to improve the management of Federal real property and to accelerate the sale of unneeded property. The revenue from the sales should be directly applied to help reduce the burdens on our nation's taxpayers and not be used for more spending.

Although the congressional calendar is crowded, I believe that the Congress shares my concern that the continued growth of our national debt can have a crippling effect on our economy. This is a problem that can be solved in part by the bill I am submitting today. The sales of surplus property cannot alone retire the debt; however, it demonstrates our commitment and is an all-important first step.

Letter to the Speaker of the House and the President of the Senate Transmitting Proposed National Debt Retirement Legislation
September 22, 1982

Dear Mr. Speaker: (Dear Mr. President:)

I am forwarding for the consideration of the Congress a draft bill entitled the "National Debt Retirement Act of 1982."

As you know, my Administration has recently undertaken a number of policy initiatives with respect to the disposal of surplus Federal real property. For example, on February 25, 1982, I signed Executive Order 12348, establishing the Presidential Property Review Board, which has been given the responsibility for developing Federal property disposal policy to ensure that surplus Federal real property is identified and made available for sale at its fair market value. Proceeds from the sale of surplus real property are to be used to help retire the national debt.

The enclosed legislation eliminates a barrier to using the proceeds of the sale of surplus real property to retire the national debt. Under current law, receipts from the sale of such property are deposited in the Land and Water Conservation Fund of the Department of the Interior. Our proposed legislation amends present law to state that, notwithstanding any other requirement of law, cash proceeds from the sale, lease, or other disposition of such property are to be covered into the general fund of the Treasury. This proposal does not affect the statutory requirement that there be an annual income level of $900 million for the Land and Water Conservation Fund. Revenues from Outer Continental Shelf oil lands will continue to be deposited in the Fund, thus ensuring that the required $900 million annual floor for deposits in the Fund will be met.

Enactment of this draft bill would help put the Federal government on a sounder fiscal footing. Accordingly, I would appreciate prompt and favorable consideration of this legislative proposal.

I am sending an identical letter to the President of the Senate. (Speaker of the House of Representatives.)

Sincerely,

RONALD REAGAN

Note: This is the text of identical letters addressed to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and George Bush, President of the Senate.

The White House press release contained a copy of the proposed bill.

Remarks to Reporters on Signing a Bill Terminating the Railroad Labor Dispute
September 22, 1982

Well, thank you very much for coming here.

I have just signed into law Senate Joint Resolution 250, a bill that ends the 4-day-old national railway strike. There are many elected officials in Washington—and I am one of them—who prefer to keep the government out of the collective bargaining process. But we're also committed to protecting the vital national interest, and we must protect the jobs of our people and keep both factories and farms at work.

Our economy must stay on the track of recovery. If this strike were to continue, it could cost the American economy close to a billion dollars a day. Within 10 days, steel-plants and additional auto factories would begin to close. And by far, the most important consideration for me is jobs. If this strike were prolonged, nearly a million Americans would face a threat of unemployment. We cannot afford such losses. It's

been imperative that we act and act quickly.

I want to commend Members of the Senate and House for addressing this issue swiftly, decisively, and on a bipartisan basis. I'm also pleased that this measure won the support of many people of different views outside the Congress. It shows once again that when we face difficult times, difficult issues, that we Americans can unite for the common good.

Now, I thank you and can't take any questions, because I have to go over to the other part of the White House, there, and thank some people who saved the National Aquarium.

Note: The President spoke at 5:21 p.m. in the Briefing Room at the White House. Following his remarks, the President attended a reception on the State Floor of the White House to benefit the private sector effort to restore the National Aquarium at the Commerce Department Building.

As enacted, S.J. Res. 250 is Public Law 97-262, approved September 22. The act makes binding on the parties the Reports and Recommendations of Presidential Emergency Board No. 194, dated August 19, 1982.

Letter to President-elect Amin Gemayel of Lebanon on His Election

September 22, 1982

Dear Mr. President-elect:

The American people join me in congratulating you upon your election as President of Lebanon. We are proud to stand beside your courageous nation as our friends in Lebanon again overcome adversity in exercising the democratic and constitutional tradition that our nations share.

In my September 20 address to the American people, I restated the basic objectives of the U.S. relationship with Lebanon. "First and foremost," I said, "we seek the restoration of a strong and stable central government" in Lebanon, "brought into being by orderly constitutional processes." Your election as President sets Lebanon firmly on the path to national reconciliation behind a strong government with a broad mandate from the people of Lebanon.

You have our pledge that the United States will remain a staunch partner and friend to Lebanon as you set out upon the difficult and challenging tasks ahead. The American nation and I extend to you and all Lebanese our very best wishes for the future.

Sincerely,

RONALD REAGAN

[His Excellency Amin Gemayel, President-elect of the Republic of Lebanon, Beirut]

Note: As printed above, this item follows the text of the President's letter which was released by the Office of the Press Secretary on September 23.

Remarks at a White House Luncheon for Members of the James S. Brady Presidential Foundation

September 23, 1982

Thank you very much. Thank you, Jim.

One of the first things I learned in public speaking class was that you should never open with an apology. And I was wondering how I was going to explain that we had to get out of here before the meeting was

over, and you took care of that. Thank you very much.

Nancy and I are delighted that you could all come and be with us for what I know we all agree is a wonderful and very worthy cause, the James S. Brady Presidential Foundation. As you know, the foundation will honor Jim in recognition of the tremendous sacrifices that he and Sarah and their family have made. It will also provide assistance to other individuals wounded or killed in an assassination attempt on national figures and will provide assistance to that individual's family.

Now, these good things don't just happen. They depend on the active support of fine people like yourselves—all of you who have worked so hard, and on the leadership of the foundation's nonpartisan board of directors. I won't name all the members, but I do want to pay a special tribute to three particular individuals, and one is Jim Lynn, the president of the foundation, and the two who are cochairing the fundraising effort, Joe Rodgers and Bob Strauss.

Now, since Bob and Joe both are such good numbers men—[*laughter*]—and since this is the election season, I confess I got a little nervous. But I am assured that they are dedicated to this worthy and noble cause.

I'm also delighted to tell you that Nancy will assume with great pleasure the position of honorary chairman of the foundation. You know that it almost became a byword for several months there that Jim was Nancy's Y&H, "young and handsome." [*Laughter*]

But you know at the first reception marking the formation of this foundation, I said that it seemed to me that Jim Brady has some connections in very high places. He'd been out the night before at the Old Timers' Baseball Game, you'll remember that they held here with all the great stars, baseball stars of the past. And on that particular night, it was raining. And then Jim was introduced, and it stopped raining. [*Laughter*]

Well, you know now that he's gone back home to Chicago, and he's pulled off another miracle. On Monday afternoon he went to see his favorite team, and mine, the Chicago Cubs. And after Jim threw out the first ball, the Cubs actually went out and won the game. [*Laughter*] And now, they're only 20 games out of first place. [*Laughter*]

Maybe the best way to describe the effect Jim Brady has on people is to read you a letter that I received from Mrs. James H. Terrell, of Alexandria, Virginia, a few months ago. Her son, John, had heard about what we're trying to do and, although he's only 9, he wanted to help. So he decided to go out on that bike path that's along Mt. Vernon Highway and sell lemonade for 10 cents-a-cup to raise money. And his mother wrote, "On Sunday, April 18, 1982, young John Terrell enjoyed selling lemonade and fruit punch to the many thirsty bicyclers on the bike trail. His goal was to help Mr. Jim Brady financially. His efforts collected the enclosed $37, and he did this by 10 cents-a-cup, plus a few tips. Please accept John's love gift for Jim Brady. John is a fourth grade student at Hollin Meadows School in Alexandria.

Well, as you can see, I think that John's sign probably helped a little. You may not be able to read that from where you are, but it's his own homemade sign that he had in his business undertaking. For those in the far corners, it read, "Please give for Jim Brady."

Anyone want to argue that this isn't the greatest country in the world?

And, Jim, if you're watching, I think that John's sign says it all about the love America feels for Jim Brady and how all of us are praying for his continued recovery.

Again, thank you all very much for helping make this foundation come true and for enabling it to provide assistance to those in need.

So, for Jim and for everyone else and for all of us, thank you, and God bless you.

Note: The President spoke at 1:20 p.m. in the State Dining Room at the luncheon he and Mrs. Reagan hosted for members of the foundation's board of directors and council of trustees, a nonpartisan group of people who will be involved in fundraising efforts for the foundation.

The President was introduced by James T. Lynn, president of the foundation. In his

remarks, the President also referred to Joe M. Rodgers and Robert S. Strauss, cochairmen of the fundraising effort.

The James S. Brady Presidential Foundation is a public foundation that was established to provide assistance to any needy individual wounded or killed in an assassination attempt on any senior Federal official, Presidential candidate, or family member of the President and Vice President, and to provide assistance to the individual's family. The foundation also is authorized to create certain scholarships as a tribute to such victims or to encourage young people to enter government service. The idea for the foundation grew out of concern by a number of national business and political leaders for the need to provide special assistance to persons whose lives are placed in danger simply because they are at the scene of an assassination attempt. The foundation was chartered in November 1981, under the name "The Stand By Fund." It was later renamed "The James S. Brady Presidential Foundation" in honor of the Press Secretary to the President and in recognition of the inspiration he has given to others.

Statement by Deputy Press Secretary Speakes on the Situation in Lebanon

September 23, 1982

The situation in the Middle East—I will go over some details that have been talked about in part or maybe in full at both Defense and State earlier today. We're still working out the details of what the marine force will do when they arrive and consultations with the Italian and French liaison officers in Beirut.

An agreed upon mandate for the Multinational Force reads as follows:

> The MNF (multinational force) is to provide an interposition force at agreed locations and thereby provide the MNF presence requested by the Government of Lebanon to assist it and Lebanon's armed forces in the Beirut area. This presence will facilitate the restoration of Lebanese Government sovereignty and authority over the Beirut area and thereby further its efforts to assure the safety of persons in the area and to bring to an end the violence which has tragically recurred.

End of the statement on the MNF mandate.

These agreed upon locations are being worked out between the Government of Lebanon, the French, the Italians, and the United States. The force of United States marines, numbering about 800, as previously, will probably go in over the weekend. They are in the eastern Mediterranean at this time. The French are arriving in Beirut.

The marines are equipped basically as they were the last time they were involved. The rules of engagement are as before, normal self-defense rules.

It is our desire and hope and expectation, based on reports that we have received, that the Israelis will have withdrawn from west Beirut by the end of the week.

Ambassador Habib and Ambassador Draper are in Israel today to meet with Israeli officials to discuss the further developments in the situation in west Beirut, as well as looking out into the future.

Note: Deputy Press Secretary Larry M. Speakes read the statement during his daily briefing for reporters, which began at 1:45 p.m. in the Briefing Room at the White House.

Nomination of J. Raymond Bell To Be Chairman of the Foreign Claims Settlement Commission of the United States

September 23, 1982

The President today announced his intention to nominate J. Raymond Bell to be Chairman of the Foreign Claims Settlement Commission of the United States, Department of Justice, for the term expiring September 30, 1983. This is a reappointment.

Mr. Bell has been serving as Chairman of the Foreign Claims Settlement Commission of the United States since 1981. He also held this position in 1973–1977. He was a self-employed attorney in 1977–1981. Previously he was vice president of Columbia Pictures Industries, Inc.; attorney with the firm of Wyman, Bautzer, Rothman and Kuchel in California; vice president, advertising and public relations, Capitol Airlines; and eastern publicity manager for Metro-Goldwyn-Mayer.

He was president, New York and Washington chapters, Public Relations Society of America, and chairman, public relations advisory committee, Air Transport Association, for two terms.

Mr. Bell graduated from Atlanta Law School (LL.B., 1930). He is married, has six children, and resides in Washington, D.C., and Beverly Hills, Calif.

Proclamation 4974—National School Lunch Week, 1982

September 23, 1982

By the President of the United States of America

A Proclamation

The National School Lunch Program—now in its 36th year—operates to provide nutritious and well-balanced meals for needy young people of our country. School lunch is an outstanding example of a close partnership of the Federal government with State governments and local communities to provide food, funds, and technical assistance for our efforts to provide nutrition assistance to these students.

The children and youth of our Nation are our greatest resource. The School Lunch Program demonstrates our awareness, our concern, and our willingness to work together to promote the health and well-being of our needy youth.

There are over 23 million lunches served every day in over 90,000 schools throughout the country. In an era of limited public resources, this effort is being met by resourceful and creative efforts at all levels of government and through the cooperation of parents, teachers, and civic groups.

By joint resolution approved on October 9, 1962, the Congress designated the week beginning on the second Sunday of October in each year as National School Lunch Week and requested the President to issue annually a proclamation calling for observance of that week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby urge the people of the United States to observe the week of October 10, 1982, as National School Lunch Week and to give special and deserved recognition to those people at the State and local level who, through their innovative efforts, have made it possible to have a successful school lunch program.

In Witness Whereof, I have hereunto set my hand this 23rd day of Sept. in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 10:30 a.m., September 24, 1982*]

Proclamation 4975—National Forest Products Week, 1982
September 23, 1982

By the President of the United States of America

A Proclamation

America's forests—and the products from those forests—have contributed greatly to our Nation's development and progress for more than two centuries.

The seemingly inexhaustible supply of wood, water, wildlife, and other resources challenged our forefathers to carve a civilization out of the wilderness during our Nation's first century.

Then, during the second century, we came to recognize our responsibilities to conserve the forest resources and use them wisely.

Today, as we look forward to the year 2000, we have the knowledge to make the most of our forests and to make them more productive and to protect them more effectively. We need them to be prepared to meet increasing demands for homes, for wood, for paper, and for forest recreation. We know that in the decades ahead, demands for wood products—and for other uses of the forest—will increase dramatically.

Under careful management, our forests can produce more than twice the volume of timber now being grown, without damaging our environment. This means that we can meet our own increasing demands and still export wood products, thus strengthening both our economy and our independence.

Our forests can also be managed to provide not only abundant timber, but also water, wildlife and fish, recreation, paper resources, grazing for domestic livestock, and even mining—while still ensuring a quality environment.

As Americans we are fortunate in having a very large base of public forestlands that are managed for all our people. These forests are serving us well and can meet more of our immediate and future needs than they do now, with careful management. We also have millions of acres of private lands that must be managed to help meet future needs—needs that are not just economic and material, but inspirational as well. The human spirit needs the beauty, solitude, and renewal that are found in forests.

In recognizing the unique qualities and values of America's forest resources, the Congress has by Public Law 86-753, 36 U.S.C. 163, designated the third week in October as National Forest Products Week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week of October 17 through October 23, 1982, as National Forest Products Week and call upon all Americans to express their gratitude for the abundant forests with which this Nation has been blessed, and which have benefited us materially, economically, and spiritually.

In Witness Whereof, I have hereunto set my hand this 23rd day of Sept., in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 10:31 a.m., September 24, 1982*]

Executive Order 12383—Amendments to the Manual for Courts-Martial, United States, 1969 (Revised Edition)

September 23, 1982

By the authority vested in me as President by the Constitution of the United States of America and by Chapter 47 of Title 10 of the United States Code (the Uniform Code of Military Justice), in order to prescribe amendments to the Manual for Courts-Martial, United States, 1969 (Revised edition), prescribed by Executive Order No. 11476, as amended by Executive Order No. 11835, Executive Order No. 12018, Executive Order No. 12198, Executive Order No. 12233, Executive Order No. 12306, Executive Order No. 12315, and Executive Order No. 12340, it is hereby ordered as follows:

Section 1. Paragraph 127*c*, Section A (Table of Maximum Punishments) of the said Manual for Courts-Martial is amended by deleting the following language: "Drugs, habit forming, wrongful possession, sale, transfer, use or introduction into a military unit, base, station, post, ship, or aircraft" and the maximum punishments prescribed therefor, and "Drugs, marijuana, wrongful possession, sale, transfer, use or introduction into a military unit, base, station, post, ship, or aircraft" and the maximum punishments prescribed therefor, and by inserting in their place the following entries and maximum punishments:

"Drugs, wrongful use, possession, manufacture, or introduction of amphetamine, cocaine, heroin, lysergic acid diethylamide, marijuana (except possession of less than 30 grams or use of marijuana), methamphetamine, opium, phencyclidine, secobarbital, and Schedule I, II, and III controlled substances.". Maximum punishment: Dishonorable discharge, forfeiture of all pay and allowances, and confinement at hard labor not to exceed 5 years.

"Drugs, wrongful possession of less than 30 grams or use of marijuana, and wrongful use, possession, manufacture, or introduction of phenobarbital, and Schedule IV and V controlled substances.". Maximum punishment: Dishonorable discharge, forfeiture of all pay and allowances, and confinement at hard labor not to exceed 2 years.

"Drugs, wrongful distribution of, or, with intent to distribute, wrongful possession, manufacture, or introduction of amphetamine, cocaine, heroin, lysergic acid diethylamide, marijuana, methamphetamine, opium, phencyclidine, secobarbital, and Schedule I, II, and III controlled substances.". Maximum punishment: Dishonorable discharge, forfeiture of all pay and allowances, and confinement at hard labor not to exceed 15 years.

"Drugs, wrongful distribution of, or, with intent to distribute, wrongful possession, manufacture, or introduction of phenobarbital and Schedule IV and V controlled substances.". Maximum punishment: Dishonorable discharge, forfeiture of all pay and allowances, and confinement at hard labor not to exceed 10 years.

Sec. 2. Paragraph 127*c*, Section B of the said Manual for Courts-Martial is amended by adding the following new paragraph following the last paragraph therein:

"When any offense described in paragraph 213*g* is committed while the accused is: on duty as a sentinel or lookout; on board a vessel or aircraft used by or under the control of the armed forces; in or at a missile launch facility used by or under the control of the armed forces; in a hostile fire pay zone; or in time of war, the maximum period of confinement at hard labor and forfeiture of pay and allowances authorized for such offense shall be increased by 5 years.".

Sec. 3. Paragraph 213 of the said Manual for Courts-Martial is amended by deleting the last paragraph of subparagraph 213*b* and by adding the following new subparagraph after the end of subparagraph *f*:

"*g.* Offenses involving controlled substances.

"*Discussion.* Possession, use, introduction into a military unit, base, station, post, ship, or aircraft, manufacture, distribution, and possession, manufacture, or introduction with intent to distribute, of a controlled substance are offenses under Article 134.

"(1) *Controlled substance.* "Controlled substance" means amphetamine, cocaine, heroin, lysergic acid diethylamide, marijuana, methamphetamine, opium, phencyclidine, phenobarbital, and secobarbital. "Controlled substance" also means any substance which is included in Schedules I through V established by the Comprehensive Drug Abuse Prevention and Control Act of 1970, as amended (21 U.S.C. 801 *et seq.*).

"(2) *Possess.* "Possess" means to exercise control of something. Possession may be direct physical custody like holding an item in one's hand, or it may be constructive, as in the case of a person who hides an item in a locker or car to which that person may return to retrieve it. Possession must be knowing and conscious. Possession inherently includes the power or authority to preclude control by others. It is possible, however, for more than one person to possess an item simultaneously, as when several people share control of an item. An accused may not be convicted of possession of a controlled substance if the accused did not know that the substance was present under the accused's control. Awareness of the presence of a controlled substance may be inferred from circumstantial evidence.

"(3) *Distribute.* "Distribute" means to deliver to the possession of another. "Deliver" means the actual, constructive, or attempted transfer of an item, whether or not there exists an agency relationship.

"(4) *Manufacture.* "Manufacture" means the production, preparation, propagation, compounding, or processing of a drug or other substance, either directly or indirectly or by extraction from substances of natural origin, or independently by means of chemical synthesis or by a combination of extraction and chemical synthesis and includes any packaging or repackaging of such substance or labeling or relabeling of its container. The term "production", as used above, includes the planting, cultivating, growing, or harvesting of a drug or other substance.

"(5) *Wrongfulness.* To be punishable under Article 134, possession, use, distribution, introduction, or manufacture of a controlled substance must be wrongful. Possession, use, distribution, introduction, or manufacture of a controlled substance is wrongful if it is without legal justification or authorization. Possession, use, distribution, introduction, or manufacture of a controlled substance is not wrongful if such act or acts are: (A) done pursuant to legitimate law enforcement activities (for example, an informant who receives drugs as part of an undercover operation is not in wrongful possession); (B) done by authorized personnel in the performance of medical duties; or (C) without knowledge of the contraband nature of the substance (for example, a person who possesses cocaine, but actually believes it to be sugar, is not guilty of wrongful possession of cocaine). But, possession, use, distribution, introduction, or manufacture of a controlled substance may be inferred to be wrongful in the absence of evidence to the contrary. The burden of going forward with evidence with respect to any such exception in any court-martial or other proceeding under the code shall be upon the person claiming its benefit. If such an issue is raised by the evidence presented, then the burden of proof is upon the United States to establish that the use, possession, distribution, manufacture, or introduction was wrongful.

"(6) *Intent to distribute.* Intent to distribute may be inferred from circumstantial evidence. Examples of evidence which may tend to support an inference of intent to distribute are: possession of a quantity of substance in excess of that which one would be likely to have for personal use; market value of the substance; the manner in which the substance is packaged; and that the accused is not a user of the substance. On the other hand, evidence that the accused is addicted to or is a heavy user of the substance may tend to negate an inference of intent to distribute.

"(7) *Certain amount.* When a specific amount of a controlled substance is believed to have been possessed, distributed, introduced, or manufactured by an accused, the specific amount should ordinarily be alleged in the specification. It is not necessary to allege a specific amount, however, and a specification is sufficient if it alleges that an accused possessed, distributed, introduced, or manufactured "some," "traces of," or "an unknown quantity of" a controlled sub-

stance.

"*Proof.*

"(1) *Wrongful possession of controlled substance.* (a) That the accused possessed a certain amount of a controlled substance; (b) that the possession by the accused was wrongful; and (c) that, under the circumstances, the conduct of the accused was to the prejudice of good order and discipline in the armed forces or was of a nature to bring discredit upon the armed forces.

"(2) *Wrongful use of controlled substance.* (a) That the accused used a controlled substance; (b) that the use by the accused was wrongful; and (c) that, under the circumstances, the conduct of the accused was to the prejudice of good order and discipline in the armed forces or was of a nature to bring discredit upon the armed forces.

"(3) *Wrongful distribution of controlled substance.* (a) That the accused distributed a certain amount of a controlled substance; (b) that the distribution by the accused was wrongful; and (c) that, under the circumstances, the conduct of the accused was to the prejudice of good order and discipline in the armed forces or was of a nature to bring discredit upon the armed forces.

"(4) *Wrongful introduction of controlled substance.* (a) That the accused introduced onto a vessel, aircraft, vehicle, or installation used by the armed forces or under the control of the armed forces a certain amount of a controlled substance; (b) that the introduction was wrongful; and (c) that, under the circumstances, the conduct of the accused was to the prejudice of good order and discipline in the armed forces or was of a nature to bring discredit upon the armed forces.

"(5) *Wrongful manufacture of controlled substance.* (a) That the accused manufactured a certain amount of a controlled substance; (b) that the manufacture was wrongful; and (c) that, under the circumstances, the conduct of the accused was to the prejudice of good order and discipline in the armed forces or was of a nature to bring discredit upon the armed forces.

"(6) *Wrongful possession, manufacture, or introduction of controlled substance with intent to distribute.* (a) That the accused possessed, manufactured, or introduced a certain amount of a controlled substance; (b) that the possession, manufacture, or introduction was wrongful; (c) that the possession, manufacture, or introduction was with the intent to distribute; and (d) that, under the circumstances, the conduct of the accused was to the prejudice of good order and discipline in the armed forces or was of a nature to bring discredit upon the armed forces.".

Sec. 4. Appendix 6c is amended by deleting sample specifications 144, 145, and 146 and the marginal notes with them and inserting in place thereof the following:

"144. In that ——— (personal jurisdiction data) did, (at/on board—location) (subject-matter jurisdiction data, if required) on or about ——— 19——, wrongfully (possess) (distribute) (manufacture) —— (grams) (ounces) (pounds) (———) of (———) (a Schedule ——— controlled substance), (with the intent to distribute the said controlled substance) [while on duty as a sentinel or lookout] [while (onboard a vessel/aircraft) (in or at a missile launch facility) used by the armed forces or under the control of the armed forces, to wit: ———] [while in a hostile fire pay zone] [during time of war].".

Marginal note: "Drugs—wrongful possession, manufacture, or distribution".

"145. In that ——— (personal jurisdiction data), did (at/on board—location) (subject-matter jurisdiction data, if required), on or about ——— 19——, knowingly and wrongfully use ——— (a Schedule ——— controlled substance), [while on duty as a sentinel or lookout] [while (onboard a vessel/aircraft) (in or at a missile launch facility) used by the armed forces or under the control of the armed forces, to wit:———] [while in a hostile fire pay zone] [during time of war].".

Marginal note: "—wrongful use".

"146. In that ——— (personal jurisdiction data), did, on or about ——— 19——, (at/on board—location) wrongfully introduce ——— (grams) (ounces) (pounds) (———) of ——— (a Schedule ——— controlled substance), onto a vessel, aircraft, vehicle, or installation used by the armed forces or under control of the armed forces, to wit: ——— (with the intent to distribute the said controlled substance) [while on

duty as a sentinel or lookout] [while in a hostile fire pay zone] [during a time of war].".

Marginal note: "—wrongful introduction".

Sec. 5. These amendments shall be effective on October 1, 1982. These amendments shall apply to offenses committed on or after that date.

Sec. 6. The Secretary of Defense, on behalf of the President, shall transmit a copy of this Order to the Congress of the United States in accord with Section 836 of Title 10 of the United States Code.

RONALD REAGAN

The White House,
September 23, 1982.

[*Filed with the Office of the Federal Register, 10:32 a.m., September 24, 1982*]

Statement Urging Congressional Approval of Proposed Job Training Legislation

September 23, 1982

Today I am calling upon the Congress to bring to a swift and final conclusion efforts to enact a new job training bill for unemployed Americans. This important initiative will chart a new course for job training in America, providing real hope by serving as a handup, rather than a handout, to our disadvantaged citizens. Over a million Americans a year will receive training when this program begins.

Work on this legislation has just been completed by a joint Senate-House Conference, and I am hopeful that the Congress will act on it before recess so that it may go into effect as quickly as possible.

Several principles which I consider absolutely essential are at the core of this proposal. The delivery system for job training incorporates the block grant funding approach of our new federalism. The private sector will take the lead in planning and implementing programs. Some 70 cents on every Federal dollar is to be spent on training, and 30 cents will be spent on support services and administrative costs. And there will be no make-work public service employment.

I believe that by directing the highest possible percentage of Federal funds toward actual training and by emphasizing the roles of the States and the private sector, we can give participants the best chance of securing lasting, productive jobs in the private sector.

Message to the Congress Reporting Budget Deferrals

September 23, 1982

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report a new deferral of $6,500,000 for the Department of Commerce and a revision to an existing deferral increasing the amount deferred by $1,250,000 for the United States Information Agency (formerly the International Communication Agency).

The details of the deferrals are contained in the attached reports.

RONALD REAGAN

The White House,
September 23, 1982.

Note: The attachments detailing the deferrals are printed in the Federal Register *of September 29, 1982.*

Remarks at a White House Reception for the National Coalition of Hispanic Mental Health and Human Services Organizations

September 23, 1982

The President. Well, good afternoon, and welcome to the White House. Thank you for letting me be a part of this program honoring five very deserving young people and, also, for supporting the fine efforts of COSSMHO's National Hispanic Youth Institute. Your work is a model for community projects that can make a real difference to the future of our country.

To these five young people and to all of you, *mi casa es su casa.* And in this case it really is *su casa.* [*Laughter*] It belongs to you and all Americans, and we're happy to have you with us here today.

Today, of course, we focus on youth—our nation's most precious resource. The future of our nation will be determined more than anything else by the character of our children. And particularly significant is the role Hispanics are playing in shaping the future of America. The makeup of your community is the most youthful of any American ethnic group. Over 50 percent are under age 25. So the guidance and inspiration you offer is very significant. The five young people that we honor here today are fine examples of the values and traditions for which your community is known. Their families, their country, and their President are proud of them.

Miss Felicia Martinez, for example. Felicia, will you come up here? Felicia is from Tucson, Arizona, where she's a senior at Salpointe Catholic High School. She's in the honor society, as well as the speech and Red Cross clubs. Felicia is active in her church and has served as a receptionist at St. Augustine's Cathedral. She's an accomplished speaker—has spoken before the Hispanic Youth Forum and various community programs. When writing about her future, she explains, "I plan to go into pediatrics. I'm choosing this career because I love children, I'm interested in medicine, and I enjoy helping others."

Felicia, it's a pleasure to recognize you today as an outstanding young person and fine example to other Hispanic youth.

Ms. Martinez. Thank you.

The President. Now, also with us is Hemesio Rosado, Junior. [*Laughter*] And he tells me that his friends call him "Junior." So, if it isn't too presumptuous, I'm just going to include myself as one of your friends, Junior. [*Laughter*]

Born in Puerto Rico, he graduated from Charlestown High School in the Boston area and is now on active duty in the United States Navy. He's studying to become a fire control technician and is learning how to work sophisticated electronic equipment. He's always been close to his family, particularly his grandparents, whom he credits with instilling in him a deep respect for religion.

Writing about himself, he says, "What makes me happy is having a good time with my friends and spending holidays with my family and getting good news, because when I have a rotten day, I need something to cheer me up." [*Laughter*]

Junior, I know exactly how you feel. [*Laughter*]

And for the future, he writes, "I want to finish my 4 years in the Navy, then put to use what I learned, because I want to be able to support a family, plus I want to be able to help my mother."

Junior, it's a pleasure having you here today.

Mr. Rosado. Thank you, Mr. President.

The President. He's an outstanding young person and a fine example of the Hispanic youth of this country.

And next, we have with us Kennedy de la Peña from Albuquerque, New Mexico. He told us in a letter that his full name is actually Kennedy Richard de la Peña, because his father was a Republican and his mother was a Democrat. [*Laughter*] Well, Kennedy, we're proud of you.

He is currently enrolled in New Mexico State University and is working toward a degree in business administration. Over the years he's had a number of jobs, ranging from selling chili to janitorial work and

clerking. On top of all of that, he's been a volunteer, helping at nonprofit church bingo for the last 7 years. In high school he was captain of the soccer and basketball teams.

Of his goals, he writes, "My current goal is to receive a degree in business administration. My long-term goal is to run for public office and win"—[*laughter*]—"my prime goal is to be happy and content, and to help others be the same."

You're a fine young man, and we're happy to honor you today.

Mr. de la Peña. I'm happy to be here, Mr. President.

The President. And then we have Sheila Renée Ortiz. She is from a military family. She's from Oklahoma City, she's from a military family, and she moved around a lot in her younger years. Still, she managed to make the honor roll in school as well as being in the student council and serving as junior and senior class president. Sheila was active in basketball and volleyball. Her favorite subject is history, because, she says, "I was always interested in what happened in the past and how America became what she is today." Sheila works in a grocery store and plans to take college courses in the fall. In her letter she wrote, "I hope President Reagan thinks I'm a good example of Hispanic youth."

Well, Sheila, I certainly do, and I'm proud to have you with us here today.

Ms. Ortiz. Thank you, Mr. President.

The President. And finally, there is Rodolfo Rene Fuentes of Weslaco, Texas, currently a junior in high school and in the top 10 percent of his class. Simultaneously—and get this—while going to high school, this young man is enrolled as a freshman in Pan American University and plans to have completed 30 hours of college credit by the time he graduates from high school. In high school, he has been active in debate, football, drama, and track.

What did you play in football?

Mr. Fuentes. Guard.

The President. What?

Mr. Fuentes. Right guard.

The President. Right guard, myself. [*Laughter*] It gets busy down there in the middle of the line.

Mr. Fuentes. Yes, it does. [*Laughter*]

The President. He's an officer of the student council and is a member of Christian Athletes, the National Honor Society, and the Catholic Youth Organization. Outside of school activities, Rodolfo is a captain of a volunteer ambulance unit. Of the future, he writes, "My personal goal is to develop into an effective leader. At present, my interests are not focused on one, specific career; nevertheless, I've rounded the field to three—medical, judicial, or political." [*Laughter*]

Well, you're certainly developing yourself into an effective leader, and we are proud to honor you today.

Mr. Fuentes. Thank you, sir.

The President. I congratulate all five of you for all you stand for. Because of your courage and hard work, you're not only bettering your own lives but offering other young people examples of what they can accomplish.

I thank, again, the members of COSSMHO and all of you here today for doing your part in a very worthwhile program and wish you the best of luck at the festivities tonight. *Gracias, muchas gracias* to all of you.

Guests. De nada.

The President. And especially to these wonderful young people, *Vaya con Dios.*

Mr. Fuentes. Mr. President, Mrs. Reagan, *del fondo del corazon de los miembres del COSSMHO, muchas gracias.* From the bottom of our hearts, the membership of COSSMHO thanks you for being so gracious in having this reception for the National Hispanic Youth Institute of COSSMHO. And to show our appreciation, I present you with this painting that commemorates this event. We are very pleased. It projects—the message is the part of sharing culture and wisdom, and it is painted by one of our famous Mexican American artists, Amado Peña, from the State of Texas and also New Mexico.

The President. Thank you. For those of you too far away to see, it *is* appropriate. It shows the older man speaking to the young people. [*Laughter*] I hadn't thought about it that way—[*laughter*]—all of you helping him.

Well, again, thank all of you very much.

Note: The President spoke at 5:40 p.m. in the East Room. The President and Mrs. Reagan hosted the reception, which preceded the first annual benefit event for the National Hispanic Youth Institute.

The National Coalition of Hispanic Mental Health and Human Services Organizations (COSSMHO) is a nonpartisan coalition of 250 agencies. The five young people were chosen by the coalition from Hispanic communities across the country for their outstanding leadership and community service.

Nomination of Carmine R. Lavieri To Be a Member of the National Council on the Handicapped

September 24, 1982

The President today announced his intention to nominate Carmine R. Lavieri to be a member of the National Council on the Handicapped for the remainder of the term expiring September 17, 1983. He would succeed Henry Williams.

Mr. Lavieri is with the law firm of Howd, Lavieri and Finch in Winsted, Conn. He has been in the practice of law in Winsted since 1949. He is also treasurer of Sterling Engineering Corp. He is a member of the board of directors of Winsted Memorial Hospital and of the Connecticut Easter Seal Society.

He graduated from Trinity College (B.S., 1940) and the University of Connecticut School of Law (L.L.B., 1948). He is married, has six children, and resides in Winsted, Conn. He was born September 9, 1918.

Nomination of Robert W. Karpe To Be President of the Solar Energy and Energy Conservation Bank

September 24, 1982

The President today announced his intention to nominate Robert W. Karpe to be President of the Solar Energy and Energy Conservation Bank. He would succeed Joseph Bracewell.

Since 1981 Mr. Karpe has been President of the Government National Mortgage Association. He was chairman of the board of Karpe Real Estate Center in 1976–1981. He was commissioner, department of real estate, State of California, and chairman of the California Real Estate Commission, in 1971–1975. He was president of Karpe Real Estate Center in 1959–1971.

He graduated from the University of California at Berkeley (B.S., 1953). He is married, has three children, and resides in Arlington, Va. He was born November 3, 1930.

Designation of Arlene H. Ham as United States Representative on the Rio Grande Compact Commission

September 24, 1982

The President today designated Arlene H. Ham to be the Representative of the United States on the Rio Grande Compact Commission. She will succeed Alexander A.

Fischback.

Mrs. Ham is currently a realtor associated with James H. England, Inc., of Rapid City, S. Dak. She was formerly a consultant for the Discovery Corp. and an instructor at the National College of Business in Rapid City.

She attended Custer County Junior College in Miles City, Mont. She is married, has two children, and resides in Rapid City, S. Dak.

Appointment of Ralph P. Davidson as a Member of the President's Commission on Executive Exchange

September 24, 1982

The President today announced his intention to appoint Ralph P. Davidson to be a member of the President's Commission on Executive Exchange for a term of 2 years.

Mr. Davidson has been with Time, Inc., for 27 years and is currently serving as chairman of the board. He was elected a director of Time, Inc., in April 1980. He was elected a vice president of Time, Inc., and named publisher of Time, a post he held for 6 years, in 1972. He was named European regional manager of Time International in 1957 and spent the next decade as an advertising sales executive covering a number of European countries, later becoming Time's European advertising director.

He graduated from Stanford University (B.A., 1950). He has two children and resides in New York, N.Y. He was born August 17, 1927.

Remarks at a Meeting With Editors and Publishers of Trade Magazines

September 24, 1982

Well, thank you very much. I've been an after-lunch speaker a number of times, but this is the first time *without* lunch. [*Laughter*]

But it's wonderful to have you all here today. The readership of your magazines is a unique and influential one, and you, yourselves, represent a cross section of business and industry as well as the country itself. So, to all of you, especially those who are visiting the White House for the first time, I want to extend the warmest welcome.

More than most people, those of you in this room will remember the talk a few years ago about the reindustrialization of America. Most of this discussion was well-intentioned, focused on strengthening America's industrial base. But here and there were the old suggestions about the need for central planning and massive government expenditures to bring all this about.

You don't hear too much of that talk anymore. I think it's an indication of how dramatically the political climate has changed in the past few years. For the first time in a long while, even during the recent recession, the voices of those who routinely called for Federal intervention, wage and price controls, and billions for make-work jobs just haven't had the appeal they had in the past.

A few years ago, those of us who were warning about the dangers of government spending, huge deficits, and a growing tax burden were in the minority. Now it seems that everyone's concerned. There's been a sea change in American politics, even in Washington, here, where people seem to be realizing that you can't drink yourself

sober—[*laughter*]—or spend yourself rich—[*laughter*]—that you can't prime the pump without pumping the prime—[*laughter*]——

Well, in 1980 when traveling our country in the campaign trail, I said what I've said all during the past 20 months—that the cause of our economic problems and the recession we inherited can be very simply put: Government is too big, and it spends too much money.

Now, the people agreed then, and I believe they agree now. They voted our way on election day. They also made their voices heard during all those crucial legislative battles over spending and taxes. I think our people are disillusioned with the policies of big government, with boom and bust, with high inflation followed by higher unemployment.

Think back to 1980: interest rates—21½ percent; double-digit inflation for 2 years in a row; productivity and the rate of growth in the gross national product dropping for the second year in a row. Almost 8 million people were unemployed, and business failures were increasing.

Then came the present recession, a legacy from the years of spend and spend and tax and tax, and even more Americans out of work.

Well, in 6 days our economic program will have been in place 1 year. It has brought down interest rates. It's gotten the gross national product going in the right direction. It's given us the first real tax cut for individuals in almost 20 years and gotten inflation—only a year ago the number one economic concern of most Americans—down from 12.4 percent in 1980 to an annual rate of 5.1 percent since January.

Maybe it's time to ask Speaker O'Neill and the liberal leadership of his party if they really want a return to the policies that gave us a trillion-dollar debt. Are they willing to pledge to the American people that when a new Congress begins next year, they won't try to take away the income tax cuts and the historic reform of indexing taxes to inflation—which probably was the biggest tax increase over the years this nation has ever had?

Let me go a step further and speak a moment about one of our major concerns right now—jobs. You might have noticed the rhetoric from our liberal critics has already reached a crescendo. The trouble is that they call their compassion a solution. The perfect illustration of what they call—I should say, their compassionate solution is the perfect illustration of why the United States is suffering from such deep-rooted problems. Last week, they stampeded the House with another temporary, public make-work program for, at best, 200,000 people. It would carry all the old flaws of that wasteful, discredited CETA program. Most important, it's no answer for the man or woman laid off, sitting around the table at nights wondering how they'll put their future back together again.

We've taken a different approach. Beginning way back in February, we started working on a program that would meet criteria for a real, long-term solution. The Senate-House conference just acted yesterday, and I called on the entire Congress to act next week, to pass this legislation that will provide job training for 1 million people or more per year in the private sector.

So, my question to the Speaker is, which is it going to be, Tip? Temporary or permanent? Two-hundred thousand or 1 million? Make-work or training for lasting jobs? A political solution of spend and spend, borrow and borrow or real economic opportunity for people looking to us for effective help and leadership?

We can't go back to the failed policies of the past. We must stay the course toward less inflation and more jobs.

But beyond issuing this challenge and citing the statistical evidence of how far we've come, we intend to remind the American people of an even more important change. In this administration, we haven't talked about the era of limitations, or no growth, or learning to do with less. We've talked about, instead, incentive, opportunity, and expansion. We're emphasizing the all-important goal of capital formation as the way to expand and renew our industrial base. We haven't tried to get government to redistribute a shrinking economic pie; we've come up with a recipe for a bigger and better pie that all Americans

can share in.

Now, incidentally, let me interject that—with all this economic talk—that this morning, some of the press began speculating that somehow recent attempts on some social issues, such as the place of prayer in school and the abortion problem and all, were somehow just a political gimmick, and now we'd discarded that and were moving on to something else. I believe this country is hungry for a spiritual revival. I also believe that what Teddy Roosevelt said once is true—"The Presidency is a bully pulpit." And we're not going to give up on those social issues that have to do with the morals of this country and the great standards that made this country great. We'll be working for them, too.

Now, just one other thing: We're rebuilding America's military and strategic strength. We've adopted a foreign policy that speaks openly and candidly about the failure of totalitarianism, a foreign policy that advocates the moral superiority of Western ideals like personal freedom and representative government, a foreign policy that calls for a global crusade for freedom and democracy.

It's this combination of strategic strength and rhetorical candor that for the first time in years has taken American foreign policy off the defensive. Most important, it's strengthened the chances for a lasting peace by providing a credible base for important new peace initiatives, especially in the arms control area and in regions like the Middle East.

A new political consensus, the support of the American people, has made all of this possible. Our institutions are working again, and this time for the people and not against them. I don't mind saying, I think that's a record to be proud of. I think it's something the American people want continued, and that's the message we're going to get to them this fall.

And now, you're going to get your dessert, and I'm going to sit down and have a cup of coffee with you.

Note: The President spoke at 12:53 p.m. in the State Dining Room during the luncheon for approximately 75 editors and publishers.

Letter to the Speaker of the House and the Chairman of the Senate Foreign Relations Committee Reporting on the Cyprus Conflict
September 24, 1982

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with the provisions of Public Law 95–384, I am submitting the following report on progress made during the past 60 days toward reaching a negotiated settlement of the Cyprus problem.

Following a summer recess, the intercommunal negotiations resumed discussion and analysis of the United Nations "evaluation" of the talks. In recent sessions, the negotiators completed initial discussion of those sections of the "evaluation" dealing with aspects of the possible executive, legislative, and judicial structure of a federal government. The negotiators have maintained a serious and positive attitude.

We commend the continued earnest efforts of the Secretary General and his Special Representative on Cyprus, Ambassador Hugo Gobbi, to narrow the differences between positions and to promote negotiating progress. We fully support the United Nations effort to reach a mutually acceptable agreement for the Cyprus problem and firmly believe that the intercommunal negotiations provide the most useful path towards that goal. On September 17 the negotiators announced a recess; negotiations are scheduled to resume on November 2.

Sincerely,

RONALD REAGAN

Note: This is the text of identical letters addressed to Thomas P. O'Neill, Jr., Speaker

of the House of Representatives, and Charles H. Percy, chairman of the Senate Foreign Relations Committee.

Proclamation 4976—National Sewing Month
September 24, 1982

By the President of the United States of America

A Proclamation

Tens of millions of Americans sew at home. Their efforts demonstrate the industry, the skill and the self-reliance which are so characteristic of this Nation.

In recognition of the importance of home sewing to our economy the Congress has, by Senate Joint Resolution 205, designated September, 1982, as National Sewing Month.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim September, 1982, as National Sewing Month. I call upon the people of the United States to observe this month with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this 24th day of Sept. in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 10:48 a.m., September 27, 1982*]

Note: The text of the proclamation was released by the Office of the Press Secretary on September 25.

Proclamation 4977—National Cystic Fibrosis Week, 1982
September 24, 1982

By the President of the United States of America

A Proclamation

In our country today there are approximately 20,000 to 30,000 young people afflicted with cystic fibrosis—a genetic disease that will prevent most of them from reaching full adulthood. Cystic fibrosis is the most common fatal genetic disease that strikes American children; its cause and cure are still a mystery, and its effects pose formidable obstacles to normal activity throughout its victims' brief lives.

In the past twenty-five years, medical research has achieved measurable success in treating the symptoms of cystic fibrosis and in extending the lives of children born with the disease. The promise of further advances and the courage demonstrated each day by the suffering victims spur intensified research efforts.

With continuing attention to the many scientific questions yet to be answered and improved public awareness of the benefits of early diagnosis of this disease, there is good cause for optimism that cystic fibrosis can be overcome. The combined efforts of dedicated researchers and volunteers committed to the challenge of cystic fibrosis are a wellspring of hope for patients and their families, and the millions of Americans who may unknowingly carry the genetic trait that produces cystic fibrosis.

Acknowledging the progress of the last twenty-five years, and recognizing the compelling need to expand on past efforts to combat this fatal disorder, the Congress has, by Senate Joint Resolution 186, designated September 19 through 25, 1982, as National Cystic Fibrosis Week, declaring it as a time

to consider the profound impact of the disease and the growing sense of hopefulness for the future of cystic fibrosis victims.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning September 19, 1982, as National Cystic Fibrosis Week and call upon the people of the United States to observe that week with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this 24th day of September, in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 10:49 a.m., September 27, 1982*]

Note: The text of the proclamation was released by the Office of the Press Secretary on September 25.

Proclamation 4978—Lupus Awareness Week, 1982
September 24, 1982

By the President of the United States of America

A Proclamation

Systemic lupus erythematosus (lupus) is a serious disorder that can affect many different parts of the body, including the skin, joints, kidneys, heart, central nervous system, and other internal organs. While no one person has all symptoms, and they may occur in varying combinations, there are recognizable patterns of illness that identify patients with lupus.

It is estimated that 500,000 Americans have lupus—most of them young women. Fortunately, because of the progress that has been made in recent years toward better understanding and increased public awareness of the disease, there is more hope for its victims. Although research has yet to find the cure for lupus, the outlook for patients has improved greatly. Through advances in medical research, including better diagnosis and more effective drug treatment and medical management, many patients with lupus can now look forward to living more productive and happier lives. It is my fervent hope that continuing advances in medical research will improve the quality of life for all lupus patients and eventually lead to the prevention and cure of this serious and distressing disease.

By Senate Joint Resolution 183, the Congress of the United States has requested the President to designate the week beginning October 17, 1982, as Lupus Awareness Week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning October 17, 1982, as Lupus Awareness Week, and I call upon the people of the United States to observe this week by learning more about this disease.

In Witness Whereof, I have hereunto set my hand this 24th day of Sept., in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 10:50 a.m., September 27, 1982*]

Note: The text of the proclamation was released by the Office of the Press Secretary on September 25.

Radio Address to the Nation on the Economy
September 25, 1982

My fellow Americans:

I'd like to talk to you today about a piece of news that spells real hope for everyone. I'm talking about the economic war we're waging together and winning against enemy number one—inflation.

Memories fade quickly. Only a short time ago we were told double-digit inflation was here to stay for the rest of this decade. At one point in 1980, inflation was zooming at an annual rate of 18 percent. I'll always remember traveling this country and seeing how many people were frightened that our way of life was slipping away from us. And indeed, between 1978 and 1980 the buying power of the average weekly paycheck declined almost 9 percent. Putting food on the table, keeping families warm and healthy, filling our cars with gas, and, for our elders, preserving the value of pensions—all these things were getting harder and harder to do.

I remember visiting one store in Lima, Ohio, in October 1980. It was Clyde Evans' grocery. I used a survey by Ohio State University and showed how inflation was robbing families of their purchasing power. For a typical family of four, $60 had purchased a week's supply of food in 1976. By 1980 that same $60 only bought, well, at best, a few days' worth. And by 1984, if there was no improvement in inflation, elderly Americans on fixed incomes would literally have gone hungry.

That was the desperate situation we faced when our administration took over in January of 1981, and that's why we've had to make some tough, even unpopular decisions to get runaway spending under control. As I mentioned a moment ago, we're winning the war the experts said was hopeless. In these less than 2 years, inflation has been cut more than in half, down to 5.1 percent so far this year.

I know this isn't easy for people to see. You go in to buy, and the price is higher than it was the last time. But it hasn't gone up as much as it did in each of those last few years. That's why, for the first time in quite a while, real after-tax income is increasing; your paycheck buys more than it did.

Some of you are probably thinking, well, what concerns us today is jobs, and I agree. We have a bill in the Congress which will provide job training for a million unemployed people or more per year for permanent jobs in the private sector. This legislation is needed, but it's only a partial remedy.

Let's remember why unemployment has been gaining on us, averaging over 7 percent since 1976. Rising inflation pushed up interest rates in the late 1970's, and together they hit us like a one-two punch, sending shock waves through the economy. It became more difficult for families to get home mortgages, for consumers to carry auto loans, for firms to modernize their machines and keep their product prices competitive. To make matters worse, as high inflation and interest rates were crippling the economy's ability to provide jobs, they were forcing more families to seek a second income. Well, this all came home to roost in 1980, when inflation reached double digits for the second straight year and interest rates soared to 21½ percent—their highest peak in more than a century. Again, that's the mess we inherited.

I don't believe that it follows that those who took us to the edge of economic Armageddon are automatically best qualified to lecture us now on the most fair, effective way to end the crisis. And when those same individuals charge our administration fights inflation by putting people out of work, I say they're exploiting helpless people for their own political gain. It's the most cynical form of demagoguery.

How does making people able to buy more cause some other people to lose their jobs? Creating more jobs requires getting interest rates down further and keeping them down, and that can only come from continued progress against inflation. We've beaten down those 21½-percent interest rates to 13½. And we can—and must—do

better. But if the public senses we're giving up the fight against inflation, those who lend money will demand higher interest rates, and we'll be right back in the soup with even higher unemployment.

There's only one major cause of our economic problems: government spending more than it takes in and sending you the bill. There's only one permanent cure: bringing government spending in line with government revenues. We have not had 21 red-ink budgets in 22 years because you the people are not taxed enough. The Government has run more than $1 trillion into debt because too many politicians spent too much of your money for too long.

Many liberals have made it clear they want to take back the third year of your tax cut and the indexing. This will only give government more money to spend, weaken savings, and hurt those who need help most—lower- and middle-income taxpayers, the backbone of this country. Well, we're not going to let them do it. We need less spending.

So far, I have not received for my signature one appropriations bill for the fiscal year that begins this coming Friday. The leadership in the House is also sitting on an historic measure already approved by the Senate and supported by 80 percent of the public—a constitutional amendment requiring balanced budgets. This amendment offers us our best chance of getting control of runaway spending.

It's tragic at this late date that those who controlled the Congress for so long and spent us to the brink of bankruptcy are still playing politics with these problems and the suffering they caused. Believe me, it's time they realized that much more than an off-year election is at stake.

Till next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.

Remarks at a Candle-Lighting Ceremony for Prayer in Schools
September 25, 1982

We want to welcome each of you to the White House. We gather together to draw attention to an issue that is as vital to the future of this country as any that we face. No one should doubt that economic and technological progress will have very little impact unless the spirit of our people remains strong.

Calvin Coolidge, a President whom I greatly admire, once said, "The government of a country never gets ahead of the religion of a country." Fostering the faith and character of our people is one of the great trusts of responsible leadership. I deeply believe that if those in government offer a good example, and if the people preserve the freedom which is their birthright as Americans, no one need fear the future.

Unfortunately, in the last two decades we've experienced an onslaught of such twisted logic that if Alice were visiting America, she might think she'd never left Wonderland. [*Laughter*] We're told that it somehow violates the rights of others to permit students in school who desire to pray to do so. Clearly this infringes on the freedom of those who choose to pray—a freedom taken for granted since the time of our Founding Fathers.

This would be bad enough, but the purge of God from our schools went much farther. In one case, a Federal court ruled against the right of children to voluntarily say grace before lunch in the school cafeteria. In another situation a group of children, again on their own initiative and with their parents' approval, wanted to begin the schoolday with a minute of prayer and meditation, and they, too, were prohibited from doing so. Students have even been prevented from having voluntary prayer groups on school property after class hours just on their own.

Now, no one is suggesting that others

should be forced into any religious activity, but to prevent those who believe in God from expressing their faith is an outrage. And the relentless drive to eliminate God from our schools can and should be stopped.

This issue has brought people of good will and every faith together to make the situation right. We believe that permitting voluntary prayer in public schools is within the finest traditions of this country and consistent with the principles of American liberty. Neither the constitutional amendment that I've endorsed nor the legislative remedies offered by others permits anyone to be coerced into religious activity. Instead, these measures are designed to protect the rights of those who choose to pray as well as those who choose not to.

I want to thank all of you and all of those who'll gather on the Capitol Mall this evening for what you're doing on this vital issue. And a special thanks to Senator Helms and Senator Thurmond and Congressman Kindness for all that they have done.

And today I'd like to take this opportunity to urge the Senate to move directly on the constitutional amendment now awaiting action. But Senate action is not enough. The leadership in the House has the proposed constitutional amendment bottled up and has, thus far, failed to hold the appropriate hearings. Some suggest we should keep religion out of politics. Well, the opposite is also true. Those in politics should keep their hands off of the religious freedom of our people, and especially our children.

Earlier I quoted Calvin Coolidge. He had some other words I'd like to share with you. "It would be difficult for me to conceive," President Coolidge said, "of anyone being able to administer the duties of a great office like the Presidency without a belief in the guidance of Divine Providence. Unless the President is sustained by an abiding faith in the divine power, I cannot understand how he would have the courage to attempt to meet the various problems that constantly pour in upon him from all parts of the earth."

Well, after 20 months I can attest to the truth of those words. Faith in God is a vital guidepost, a source of inspiration, and a pillar of strength in times of trial. In recognition of this, the Congress and the Supreme Court begin each day with a prayer, and that's why we provide chaplains for the Armed Forces. We can and must respect the rights of those who are nonbelievers, but we must not cut ourselves off from this indispensable source of strength and guidance.

I think it'd be a tragedy for us to deny our children what the rest of us, in and out of government, find so valuable. If the President of the United States can pray with others in the Oval Office—and I have on a number of occasions—then let's make certain that our children have the same right as they go about preparing for their futures and for the future of this country.

And now I understand that we're to light some candles. I think you children are to go down there and someone is to present me with a—there it is. These—[*inaudible*]—candles, as I understand it, will start the ceremony tonight on the Mall.

Happy that we've had this opportunity this morning. God bless you all.

Note: The President spoke at 12:30 p.m. in the State Dining Room at the White House.

Appointment of Five Members of the Advisory Committee for Trade Negotiations

September 27, 1982

The President today announced his intention to appoint the following individuals to be members of the Advisory Committee for Trade Negotiations for 2-year terms:

Alan T. Dickson is president of the Ruddick Corp. in Charlotte, N.C. He is married and

resides in Charlotte. He was born April 3, 1931. He will succeed Jean Head Sisco.

James Dutt is chairman of the board and chief executive officer of Beatrice Foods Co. in Chicago, Ill. He is married, has three children, and resides in Arlington Heights, Ill. He was born February 11, 1925. He will succeed C. William Verity, Jr.

Stanley Ebner is vice president and manager of the District of Columbia office of Northrop Corp. He is married, has three children, and resides in McLean, Va. He was born November 16, 1933. He will succeed Frank Drozak.

John Roberts Opel is chief executive officer and president of IBM Corp. He is married, has five children, and resides in Chappaqua, N.Y. He will succeed Jack Felgenhauer.

William C. Turner is chairman of Argyle Atlantic Corp. in Phoenix, Ariz. He is married, has two children, and resides in Scottsdale, Ariz. He will succeed Russell L. Hanlin.

Appointment of William Henkel as Special Assistant to the President and Director of Presidential Advance

September 27, 1982

The President today announced his intention to appoint William Henkel to be Special Assistant to the President and Director of Presidential Advance. He will succeed Stephen Studdert, who will serve as a consultant to the White House and to the Republican National Committee.

Since 1981 Mr. Henkel has been a corporate financial services marketing representative for the Merrill Lynch White Weld Capital Markets Group in New York City. He was manager of corporate financial services for the Capital Markets Group between 1977 and 1981. He served as Deputy Assistant Secretary of Commerce for Economic Development Operations in 1975–1977.

Mr. Henkel served previously in the White House in several related positions. In 1970 he joined the White House staff as a Staff Assistant to the President, serving as a Presidential Advance Representative. In November 1972 he was named Director of the White House Advance Office. He was appointed Special Assistant to the President and Director of Advance in 1973, and served in that position until January 1975.

From 1965 to 1970, Mr. Henkel served as an account executive in a Merrill Lynch New York City branch office. He joined Merrill Lynch in 1963 as a junior executive trainee.

During the 1980 Presidential campaign, Mr. Henkel served as an advance representative of Ronald Reagan, and in 1982 he coordinated logistical arrangements for the President's participation in the economic summit at Versailles Palace.

Mr. Henkel graduated from St. Lawrence University (B.S., 1963). He is married to the former Alice O'Brien, has six children, and resides in Arlington, Va. He was born June 19, 1941.

Statement on Signing the Intelligence Authorization Act for Fiscal Year 1983

September 27, 1982

In the time since I became President, the Congress and I, working together closely, have embarked upon a course that will revitalize the intelligence capabilities of this nation, ensuring that in the coming decades we will have the vital information about our adversaries needed to safeguard American interests at home and around the globe. The intelligence authorization act for the fiscal year now coming to a close constitut-

ed the first step in our rebuilding program. The Intelligence Identities Protection Act, which became law in June, was an important second step which ensured that those who arrogate to themselves the right to frustrate legitimate intelligence activities approved by the President and the Congress will be brought to justice. Now, I am pleased to take the next step in our intelligence revitalization program by approving the Intelligence Authorization Act for Fiscal Year 1983.

This year's intelligence authorization act authorizes the appropriations necessary to continue improving our intelligence capabilities both quantitatively and qualitatively. The American people can be confident that their hard-earned tax dollars invested now in our intelligence capabilities will pay rich dividends to the Nation in the decades ahead.

Note: As enacted, H.R. 6068 is Public Law 97-269, approved September 27.

Proclamation 4979—Thanksgiving Day, 1982

September 27, 1982

By the President of the United States of America

A Proclamation

Two hundred years ago, the Congress of the United States issued a Thanksgiving Proclamation stating that it was "the indispensable duty of all nations" to offer both praise and supplication to God. Above all other nations of the world, America has been especially blessed and should give special thanks. We have bountiful harvests, abundant freedoms, and a strong, compassionate people.

I have always believed that this annointed land was set apart in an uncommon way, that a divine plan placed this great continent here between the oceans to be found by people from every corner of the Earth who had a special love of faith and freedom. Our pioneers asked that He would work His will in our daily lives so America would be a land of morality, fairness, and freedom.

Today we have more to be thankful for than our pilgrim mothers and fathers who huddled on the edge of the New World that first Thanksgiving Day could ever dream. We should be grateful not only for our blessings, but for the courage and strength of our ancestors which enable us to enjoy the lives we do today.

Let us reaffirm through prayers and actions our thankfulness for America's bounty and heritage.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim Thursday, November 25, 1982, as a National Day of Thanksgiving and I call upon all of our citizens to set aside that day for appropriate expressions of thanksgiving.

In Witness Whereof, I have hereunto set my hand this 27th day of Sept. in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 4:13 p.m., September 27, 1982*]

Nomination of Four Members of the Board of Regents of the Uniformed Services University of the Health Sciences, and Designation of Chairman

September 28, 1982

The President today announced his intention to nominate the following individuals to be members of the Board of Regents of the Uniformed Services University of the Health Sciences:

Francis Carter Coleman, to serve for a term expiring May 1, 1983. He would succeed Philip O'Bryan Montgomery, Jr. Dr. Coleman is a consultant in pathology and laboratory management in Tampa, Fla. He graduated from Mississippi College (B.A., 1935) and Tulane University School of Medicine (M.D., 1941). He is married, has four children, and resides in Tampa. He was born May 14, 1915.

Perry Albert Lambird, to serve for a term expiring May 1, 1987. He would succeed Lt. Gen. Leonard D. Heaton, U.S. Army, retired. Dr. Lambird is a pathologist with Medical Arts Laboratories in Oklahoma City, Okla. He graduated from Stanford University (B.A., 1958), the Johns Hopkins School of Medicine (M.D., 1962), and Oklahoma City University (M.B.A., 1973). He is married, has four children, and resides in Oklahoma City. He was born February 7, 1939.

David I. Olch, to serve for a term expiring May 1, 1987. He would succeed David Packard. The President also intends to designate Dr. Olch as Chairman upon confirmation of appointment. Dr. Olch specializes in internal medicine in Beverly Hills, Calif. He graduated from the University of Cincinnati (M.D., 1950). He is married, has five children, and resides in Los Angeles, Calif. He was born November 12, 1925.

James F. X. O'Rourke, to serve for a term expiring May 1, 1987. He would succeed Francis D. Moore. Dr. O'Rourke is associate director and professor, Department of Ophthalmology, New York Medical College. He graduated from Manhattan College (B.S., 1939) and Georgetown University School of Medicine (M.D., 1943). He is married, has 13 children, and resides in Yonkers, New York. He was born March 11, 1920.

Remarks at a Meeting with Participants in the American Business Conference

September 28, 1982

It's a pleasure for me to speak to you again. I say "again," because I did last year during your annual meeting. You've achieved a remarkable recognition for an organization established only 18 months ago. Those pessimists who think American business no longer has the energy and the creativity to lead this nation into the 21st century should be here today. And I don't know that I can add anything to what you have just said about this remarkable accomplishment.

Incidentally, just before I came over here, I was told that one of our major banks has just lowered its prime to 13.

You give proof that, with freedom and profit—the profit motive—America can still work miracles. Reflecting your vitality, the American Business Conference earned a reputation for its willingness to take tough stands for the good of America, even when those positions might hurt your enterprises in the short run.

And I'm deeply grateful for all the support that you have been to me and to our administration. In particular, I appreciate the leading role you played in mustering business support for the tax bill, even though I was dragged, kicking and screaming, myself, into supporting it. [*Laughter*] It was a difficult and, yet, an absolutely necessary fight.

Arthur Levitt and Jack Albertine,[1] you both were there when it counted, as all of you have been during our struggle to get spending under control and to put our economy back on the right track. But if we're to find our way out of the economic thicket that we inherited, we have to keep economic progress as our highest priority. Now, I'm afraid we don't see that commitment from some on Capitol Hill. Some of them seem to be more inclined to exploit our problems than to pass the legislation needed to set things right. And by "exploiting," I mean that temptation to say, with an election coming up, it may be better for some if the news stays bad.

Well, I can think of nothing that would do more to reassure our people than if the Congress acted this week on several vital pieces of legislation before it recesses for the campaign. They could start with appropriation bills. They did pass the budget resolution, but then very many people in America don't realize that that actually isn't a binding or meaningful thing. That's supposed to be the overall spending, but then the committee starts sending in the appropriation bills for each particular program.

So far, the House and Senate have passed only 2 of 13 appropriations bills for the new fiscal year. And that fiscal year begins in just 3 days.

Secondly, the House leadership might also consider bringing to a vote the constitutional amendment which requires a balanced budget. Passage of that amendment, now bottled up in the House, would do more to convince the American people we mean business when it comes to controlling Federal spending than any other single measure.

The truth is—I've been on the phone—there are 203 signatures on a petition for the committee to discharge that. The polls reveal 80 percent of the people want it. I respect congressional procedures, but I also have to recognize when I think a committee arbitrarily is using those procedures to deny the will of the people and of their own members. It takes 218 names on that discharge petition, and I've been calling congressmen to persuade them to sign. And I have to tell you that some of the opposite party have told me they can't because of the pressure from their own leadership.

In a time of high unemployment, there's also no excuse for the delay in passing the Export Trading Company Act, which can create up to 640,000 jobs here at home.

And, finally, we owe it to the American people to pass and sign into law this week the job training bill, a measure that'll provide training for up to a million Americans a year.

Now, what is different in this and in some of the things that have been done in the past? Well, I can tell you one thing that's different. The past training bills—only about 20 percent out of the dollar went to actual training. In this particular bill, 70 percent is going to go to actual training.

The other night I heard a critic complaining, well, all we're doing is suggesting training for jobs that don't exist, this because of the unemployment. But how about every Sunday—I don't know whether you'd do this—in any city that you want to name—I've done it in Los Angeles, I've done it in New York, I've done it in Washington, other cities in the past when I've been out there—the Sunday paper, turn to the help wanted ads and just count the number of pages. I've counted as many as 65 pages of employers looking for people to fill jobs; and they're back the following week trying again.

We're not training for jobs that don't exist. I have spoken of this before and was criticized for doing it, as if it showed no compassion for the unemployed. There's no one in the world who has more compassion for the unemployed than I do. I was looking for a job in 1932; I'd seen my father lose his on Christmas Eve. What I'm talking about is the percentage of people, particularly young people—and they have the highest rate of unemployment in America—that need to be trained because those jobs that are being advertised for in the paper require certain job experiences or skills.

We could make a dent in that unemployment with that. And this bill, again, as I say, we're waiting for that bill to be passed and

[1] *Mr. Levitt is chairman and founder and Mr. Albertine is president of the American Business Conference.*

sent to me for signature. But we've come, I think, a long way. The economy's poised for recovery, but the country needs leadership and responsible action from the Congress. All of us in Washington must prove that there's been a change in these last 2 years, that we can control spending and taxes, and that the people making decisions are capable of thinking of the next generation as well as the next election.

You know, what we're trying to do, they give it names and they start calling it some kind of a new thought or a new program and, in fact, the first complaints that it had failed began before it had been put into effect. But, actually, what we're talking about is the same common sense that you have to use every day in business; and that's why you're successful.

And the alternatives that are being offered are not new either. What is being offered is a return, a return to those 7 years when we spent $66 billion on job programs. And yet in those same 7 years unemployment continued to grow, and averaged over the 7 years, 7 percent or better. They're going back to flooding the market with money, and that that will be the answer—and it will for a short period of time. And then in about 2 years you will have another recession worse than the one you have just got through fixing with inflation higher and unemployment higher.

Actually, what we're talking about is building a solid base for the economy as the method of providing the jobs the unemployed need, and providing them on a more or less permanent basis instead of just a quick flurry that does no real good but leaves us closer to the brink of disaster than we were before.

I'm confident that with responsible leadership in Washington and men of vision like yourselves in the private sector, we can make America great again. And I won't go on, but I could point to comparisons that I've been drawing up of other democracies, allies, friends of ours like our own, who are continuing down that road of intervention in business—an adversary relationship with their own business community—the temporary stimulating with a money flood, higher taxes; and the comparison that I'm drawing is two sets of figures. Their unemployment is greater than ours, their inflation is greater than ours, and you are absolutely right—it is going to be under 6 percent because for the 8 months right now since last January, inflation in this country is running 5.1 percent. And we think we can even take it down maybe a little lower than that. In 1976 it was 4.8, and then we saw all of those things that the critics are talking about put into effect. And by the time we got here it was 12.4. So, something must be going right.

But again, God bless you for all that you're doing. Stay with it. And I just think that one of the greatest things we can do for the American economy is if we can get the government off your backs so that business can do what business is intended to do and has always done in the past for this country up until these last few decades.

Thank you very much.

Note: The President spoke at 12:21 p.m. in the State Dining Room at the White House.

The President's News Conference
September 28, 1982

The President. Well, good evening. I have an opening remark or two before I get to the questions.

Economic Recovery Program

Hardly a day passes that I don't hear from hard-working Americans who, through no fault of their own, face serious financial problems—the machinist whose plant is closed, the working mother that's worried about the future of her job, the farmer and small businessman caught in the financial crunch. This recession and the long years of government mismanagement that led up to

it have taken a heavy toll on the lives of too many of our people. What hurts and angers me the most about this suffering is the fact that it didn't have to be this way. We could and should have solved or prevented these problems years ago by the simple exercise of responsibility in government.

When this administration took office, we found America in the worst economic mess since the days of Franklin Roosevelt. With support from the people, we passed a long-term program to save the economy, promote recovery, and create jobs without reigniting runaway inflation and higher interest rates.

The overwhelming majority of Americans, especially those 99 million who are working, are beginning to see some real hope. Inflation has been cut more than in half, interest rates are heading down, and there are other signs that we're heading toward a good recovery. We still have a long way to go, but together we've pulled America back from the brink of disaster. We're better off today than we were. And the Congress can spur recovery by acting now to keep inflation and interest rates coming down and to help us create some productive jobs. Before they leave Washington for a campaign recess, I urge Members of the Congress to devote their energies to essential economic legislation.

We need spending bills that hold the line on the budget. Only 3 of 13 regular appropriation bills have passed the House and Senate, with only 2 days left in the fiscal year. A constitutional amendment to balance the budget, supported by the people and passed by the Senate, is bottled up by the liberal leadership in the House. An export trading bill that can create several hundred thousand new jobs without costing taxpayers a cent is delayed in conference. And a private sector jobs training bill that can help more than a million unemployed Americans per year also awaits action this week.

To those who are sitting on these bills while pretending all problems began January 21st, 1981, I must ask: Did these modern-day Rip Van Winkles really sleep through the America of 1980? Don't they remember the unprecedented misery of double-digit inflation, climbing unemployment, and record interest rates?

No, we haven't solved 20 years of problems in our first 20 months in office, but we have made a beginning where others failed to act. I just wish those who bear such a heavy burden for overspending and taxing us into this recession could resist playing politics with the problems they caused and work with us to stay on course to lasting recovery.

Now, Helen [Helen Thomas, United Press International], it's your turn.

Situation in Lebanon

Q. Mr. President, when the Palestinian fighters were forced to leave Beirut, they said that they had America's word of honor that those they left behind would not be harmed. Now comes U.N. Ambassador Jeane Kirkpatrick, who says that America must share in the blame for these massacres. My question to you is, do you agree with that judgment? And I'd like to follow up.

The President. Helen, I think the manner in which Jeane said that—and she's talked to me about it—was one about the responsibility of all of us back over a period of time with regard to the separation and divisions in Lebanon, the whole matter of the Middle East, and not doing more to bring about the peace that we're trying so hard now to get.

I don't think that specifically there could be assigned as a responsibility on our part for withdrawing our troops. They were sent in there with one understanding. They were there to oversee and make sure that the PLO left Lebanon. And that mission was completed, virtually without incident, and they left. Then, who could have foreseen the assassination of the President-elect that led to the other violence and so forth.

Q. Well, why did you give orders to our Representative at the U.N. to vote against an inquiry to find out how it happened, and why?

The President. As I understand it, there were things additional in that inquiry, things that we have never voted for and will not hold still for, such things as sanctions and such things as voting Israel out of the U.N. Now, I can't recall exactly now what it was that caused our vote to be neg-

ative on that. But the Lebanese and the Israelis are apparently going forward with such an inquiry.

National Economy and 1982 Elections

Q. Mr. President, at least 4 months ago you were saying that a strong and lasting recovery was not far away. Now you're saying that we're heading out of the recession. Inflation and interest rates are dropping, but business failures, unemployment are continuing to rise, and the leading economic indicators seem to be likely to drop. So, what does this say for Republican chances in November? And who should the voters believe? You or the administration's economic figures?

The President. Well, if they will honestly face up to the issue and cut through all the demagoguery and rhetoric that they're going to hear, the things that have been accomplished by this administration were not accomplished before, and all of the things that are still not resolved now had started long before we got here.

Unemployment, for example, has been on the rise for more than a decade, and particularly in about the last 7 years, it started really coming on—an average 7 percent over those 7 years. In those 7 years under the policies of the past, $66 billion was spent on job programs supposed to solve that problem, and they didn't solve it. And certainly the rate of increase in unemployment in the last 6 months of 1980 was just about as great as it's been at any time since. I remember campaigning, myself, on the very fact that what we were seeing in many parts of the country where I was campaigning amounted to depression, not recession.

Now, if the people will add up who's been in charge, who was running the store—and this is the eighth time we've had one of these economic crises since World War II, and for most of that time, almost entirely, the Congress until now had been dominated by one party. And while here and there there's been a Republican President, they were handcuffed by a Legislature of the other persuasion. And I think we have to look back and see what brought this on, what brought us to almost a trillion dollars at the time, deficit or debt, and then weigh it against the progress in 20 months that has brought the interest rates down, 21½. I was going to say to 13½, but today the Bankers Trust lowered it to 13.

Economic Recovery Program and 1982 Elections

Q. Mr. President, in the upcoming November election, how much of that do you see as a referendum on your Presidency and on your economic programs? And if Republicans don't do well in those elections, how might you modify the economic programs?

The President. Well, first of all, you have to abide a little bit by tradition, that in that first off-year election of any new administration, normally there is a great setback. Now, our opponents are saying that they would hope to achieve 20 additional seats. Now, I think they're saying that because tradition has it that normally they get about 35 or 36, and so they would like to be able to say, "Oh, look how much better we did than we thought we were going to do." Well, all I can tell you is we're going to do our best to see if we can't disappoint them.

John [John Palmer, NBC News]?

Situation in Lebanon

Q. Mr. President, do you have a plan for getting the United States out of Lebanon if fighting should break out there, or could the marine presence there lead to another long entanglement such as Vietnam?

The President. No, I don't see anything of that kind taking place there at all. And the marines are going in there, into a situation with a definite understanding as to what we're supposed to do. I believe that we are going to be successful in seeing the other foreign forces leave Lebanon. And then as such time as Lebanon says that they have the situation well in hand, why, we'll depart.

Q. Sir, if fighting should break out again, would you pull the marines out?

The President. You're asking a hypothetical question, and I've found out that I never get in trouble if I don't answer one of those.

Sam [Sam Donaldson, ABC News]?

Economic Recovery Program

Q. Mr. President, in talking about the continuing recession tonight, you have

blamed mistakes of the past, and you've blamed the Congress. Does any of the blame belong to you?

The President. Yes, because for many years I was a Democrat. [*Laughter*]

Q. But does any of the blame for the past 18 months? The Democrats in Congress say they gave you your tax program, they gave you almost all the budget cuts you want. You predicted that the very psychological passage of these programs would cause the economy to start up, but it hasn't.

The President. Well, I believe that all the indices that have been true in the other several recessions are there and are evident. For 4 quarters we have seen a growth in the gross national product. We have seen for the first time in several years an increase in real earnings for the people, because of our battle against inflation and, as I've said, the interest rates coming down to where they are. I recall when we started that we were told by experts that inflation was built into the economy and would take at least a decade to get control of it.

The only thing that has kept on progressing is the thing, as I say, started and has been going on over several years, which is the unemployment situation. Now, we know from history that is the last to recover.

But I think we are in, you could call it, a curve or at the corner, going around the corner or the curve, by every indice, the evidence that we are, that we are progressing and on our way out of this. And some 44 blue-chip economists, who get together and pool all of their information and their knowledge as to what is going to happen, have said that they see a solid recovery in the year 1983.

Jerry [Gerald E. Udwin, Westinghouse Broadcasting Co.]?

School Busing

Q. I'd like to ask you a busing question, Mr. President. The Justice Department has said that it's considering asking the courts to dismantle mandatory court-ordered busing in St. Louis and several other cities across the Nation. Were you consulted in advance about this decision, and do you agree with it?

The President. Well, this is no change in policy. It's been presented that way, Jerry. There's no change in policy at all. What the Justice Department has said is that in those areas where there has been court-ordered busing, if the community is seeking to have that changed in court, on a case-by-case basis, depending on the circumstances, the Justice Department would join the community in going into court on that case. But again I say on a case-to-case basis in which there would be—the Justice Department would decide that the community's case was well taken.

Q. Well, just to follow it, considering that other administrations have not taken this course, why do you think it's necessary for your administration to?

The President. Well, because, I suppose, there has been so much court-ordering and some of it has seemed to be a violation of the rights of a community and the rights of local school boards and so forth that it's time, if communities officially are ready to take this action—as a matter of fact, in a number of the cases right now, the people that were supposed to benefit from the busing are the ones who are bringing the cases. The black community is the one that is protesting.

Yes, Andrea [Andrea Mitchell, NBC News].

Middle East Peace Negotiations

Q. Mr. President, it has been reported that you believe that Israel is sabotaging your peace initiative and also that you now believe that Israel has become the Goliath in the Middle East and that the other countries, the Arab countries, are the Davids. Did you say that? Do you believe that?

The President. I didn't say it exactly that way. In fact, I didn't say that I thought they were the Goliath. I said that one of the things, as the negotiations approach and we proceed with this peacemaking business, that Israel should understand, as we've come to understand from talking to other Arab States, that where from the very beginning, all of us, including Israel, have thought of them as the tiny country fighting for its life, surrounded by larger states and hostile states that want to see it destroyed, that their military power has become such

that there are Arab States that now voice a fear that they're expansionist, that they may be expansionist and they have the military power. So, all I was referring to was that.

The first part of your statement there, though, about Israel and trying to undermine—no, I don't believe that. I think that both sides have voiced things that they feel very strongly about, and contrary to what I had suggested in my proposal and having been a long-time union negotiator, I happen to think that some of that might be each side staking out its position so as to be in a better position when it comes time to negotiate.

Yes?

Social Programs

Q. Mr. President, you've described yourself on more than one occasion as very upset with the perception of unfairness, the idea that your programs cut unevenly against the poor. But there's one study which finds that most States which cut social programs, after the funds were cut, are not replacing them at the State level. You and others have talked of the need for even greater budget cuts next year, and you've made it pretty plain that those aren't going to be defense cuts. And there are stories all the time of people right on the margin, people in margin of poverty denied a benefit here or an eligibility there, while tax cuts make life more comfortable for the middle class. So, my question is, why should you not be held responsible in these cases?

The President. Because in a number of instances those cases have nothing to do with our budget cuts. There was even an entire documentary on the air, and none of the cases that were presented were the result of our budget cuts.

But also, let me point out that you're dealing with human beings on the administering side, also. In my own experience in California and our own welfare reforms, many times bureaucracy will take the ball and run with it, thinking that they're going with what is supposed to be the new system, and they will penalize people. And I've talked as much about that as anyone else has, before I ever came here, on my own radio broadcast—cases of people that were thrown off of social security disability, and then when they could finally get a hearing, it was determined that they never should've been thrown off in the first place. These are elements of human error more typical, I think, of a bureaucracy in government than they are of private charities that aren't bound in by as much redtape.

Now, as to fairness, Aid for Dependent Children in the decade of the seventies—their benefits were increased by one-third. In that same decade, because of the inflation that was brought on by the irresponsible government spending, those people actually, with a one-third increase in benefits, had a one-third decrease in their ability to buy food and the necessities of life, because of inflation. Now, not only those people who are on Aid for Dependent Children find that they have increased purchasing power because of the change in the inflation rate, people at the poverty level have about $600 more in purchasing power; median-income family in America has about $1,500 more purchasing power than they would've had if inflation had stayed at the level it was when we started.

Now, what is more fair—to embark on a lot of well-intentioned programs—I don't fault the intention, but, for example, in the $66 billion that I mentioned in those job programs, those that were training programs, only 20 cents out of the dollar went for training. Now, we're asking for a billion-dollar training program particularly for young people, and 70 cents out of every dollar of that is going to go to actual training of those young people. I think that we're being more fair than someone who sits there knowing consciously that inflation is also a tax, knowing that without having to vote for a tax increase the government is getting a tax increase with every percentage point of inflation. And that's been going on for years. I think we're being more fair.

Andrea [Andrea Mitchell, NBC News], you said you had a followup, and I cut you off. Did you?

Middle East Peace Negotiations

Q. That's very kind of you. I just wanted to ask you, since you said you didn't think that Israel was trying to undermine your

peace initiative, whether you are less optimistic about its chances since the massacre and the tragedy in Beirut?

The President. No, I'm not less optimistic. I'm also not deluding myself that it's going to be easy. Basically what we have, I think, in this peace proposal is a situation where on one side territory is the goal and on the other side security. And what has to be negotiated out is a kind of exchange of territory for security. And I meant what I said when I proposed this plan, and that is, this country will never stand by and see any settlement that does not guarantee the security of Israel.

Yes, Sarah [Sarah McLendon, McLendon News Service].

Situation in Lebanon

Q. Mr. President, you've told us that you're sending marines to Lebanon for a limited amount of time, and yet you haven't told us what the limit is. Can you give us a general idea of how long you expect them to stay there and tell us precisely what you would like to see them accomplish before they withdraw?

The President. I can't tell you what the time element would be. I can tell you what it is that they should accomplish, and I hope sooner rather than later.

One, they're there along with our allies, the French and the Italians, to give a kind of support and stability while the Lebanese Government seeks to reunite its people—which have been divided for several years now into several factions, each one of them with its own army—and bring about a unified Lebanon with a Lebanese Army that will then be able to preserve order in its own country. And during this time, while that's taking place, the withdrawal, as quickly as possible, to their own borders of the Israelis and the Syrians.

Now, there we've had declarations from both countries that they want to do that. So, I am reasonably optimistic about that. I had no way to judge about when the Lebanese Government—the Lebanese Government will be the ones that tell us when they feel that they're in charge and they can go home.

Q. Are you then saying that they will remain there until all foreign forces are withdrawn?

The President. Yes, because I think that's going to come rapidly; I think we're going to see the withdrawal. Our marines will go in tomorrow morning, as said, because the Israelis have agreed to withdraw to that line south of the airport.

Gary [Gary Schuster, Detroit News]?

U.S.-Soviet Relations

Q. Mr. President, taking into account the rhetoric on both sides over the situations in Poland, Afghanistan, the arms reduction talks that are going on in Europe, the Siberian natural gas pipeline, and the renewed grain sale agreement, how do you assess the United States-Soviet relationship now, 20 months into your term in office?

The President. I think there's a pretty good understanding on their part as to where we stand. And I can only say this: In 20 months—and I'm going to knock on wood—the Soviet Union, which has been expanding over the years vastly in the territory and the people coming under its control, they haven't expanded into an extra square inch since we've been here. So, maybe we do have an understanding of each other.

Now, today I've just had a call from George Shultz [Secretary of State]. He has met for 3 hours with Ambassador Gromyko and he said it was a serious discussion and a wide-ranging discussion and they're going to resume it on Monday. So, we're not standing off and ignoring each other.

Fiscal Year 1983 Budget

Q. Mr. President, your aides are currently at work on a new budget that you'll present to Congress next year. Knowing of your great distaste for taxes and tax increases, can you assure the American people now that you'll flatly rule out any tax increases, revenue enhancers, or specifically an increase in the gasoline tax?

The President. Unless there's a palace coup and I'm overtaken—[*laughter*]—or overthrown, no, I don't see the necessity for that. I see the necessity for more economies, more reductions in government spending. And I can't say anything about the 1984 budget, because in 3 days we

come to the beginning of the fiscal 1983 year, and we still don't have a budget. I haven't had a single appropriation bill to sign as yet, and they're all going to go home in a few days.

Defense Budget

Q. I have a followup there, sir. Your budget director once said that he thought there was a kind of swamp of 10 to 20 to 30 billion dollars worth of waste in the military budget. Those are his words. Are you confident that you can ferret out that much waste in the military budget, or do you think you'll have to adjust social security or cut further into social programs?

The President. I don't know whether the—when that figure or what it was based on, but I think that in these 20 months great progress has been made due to the Secretary's diligence in that regard, with waste. But at the same time we also have a citizens task force that's going into every department of government, and it is in the Defense Department, looking for management mispractices, for those things that can—where modern business practices can be put to work to make them better.

I told Cap once that I thought that he'd betrayed a lack of political skill in that very early he found savings of some $3½ billion, and he made the savings and then submitted a budget. And I said, "Cap, you should have submitted the budget with the $3½ billion in and then found them afterward." But he'd done it before. But I think that it is becoming efficient.

You stop to think that the greatest portion of the defense budget is the pay for the men and women in uniform, which was literally to starvation level before we came in and improved that.

Yes, Ralph [Ralph Harris, Reuters].

Arms Sales to Israel

Q. Mr. President, shortly before the Israeli invasion of Lebanon, the administration informally notified Congress that it was planning to send more F-16's to Israel. There's been no formal notification since then. Is the delay linked to difficulties in relations with Israel? When do you think formal notification will go up, and under what conditions?

The President. They're still on tap, and we haven't sent the formal notification up. And, very frankly, it was simply because in the climate of things that were going on, we didn't think it was the time to do it. However, there has been no interruption of those things that are in the pipeline, spare parts, ammunition, things of that kind. The only thing that we have actually withheld after the controversy that came on in Lebanon was the artillery shell, the so-called cluster shell.

Yes, Ted?

National Football League Players Strike

Q. Mr. President, I want to know if you personally miss NFL football? [*Laughter*] And another fairness question. Do you think the players and owners are being fair with us millions of fans?

The President. Well, I hate to comment on their affairs and involve myself and all. It doesn't seem to have been the consideration for the fan that there could have been and should have been. They do seem to be very apart, however, in their goals. And sometimes I've thought we ran the Screen Actors Guild better than that.

Unemployment

Q. Mr. President, I'd like to go back to the question of jobs. On Long Island yesterday, more than 4,000 job applicants showed up for fewer than 300 jobs at a new hotel that was opening. And there is speculation that on October 8th when the new unemployment figures come out, they'll reach double digits—the highest level since the Depression.

And I'm wondering if there's a point at which these high levels of unemployment become unacceptable to you, and you will reconsider some of your policies to try to deal with it?

The President. Well, let me tell you, those levels are unacceptable to me as long as there's one person unemployed who wants a job and can't find one. As I've said before, maybe there're some others in the room who remember it firsthand—job hunting and the Great Depression. I do vividly, and I don't know of anything that bothers me more than this situation.

In those days, of course, there weren't any provisions as there are now for unemployment insurance or help or anything for quite some time. It is possible that we might touch 10 percent. I hope not, but, if we do, I would also like to point out that there is a higher percentage of the eligible workers in the land—that is considered to be everyone over age 16, man and woman—that there is a higher percentage employed today than has been true even in the past in times of full employment.

I've used the year 1953 when unemployment was 2½ percent; they didn't have as big a percentage. So, it isn't all recession. What has happened is a greater percentage of adult Americans have entered the work force, are in the work force than ever before. But we believe—I wish there was an instant answer—we believe the answer lies in what we're doing to inflation, which in turn will bring down interest rates and which in turn will, as people are able to buy more and people will once again be able to look at home mortgages and build homes, buy automobiles and so forth—we know that for the last several months there has been an increase in auto sales.

Now, this is not solid. You've got to remember these figures are a little volatile; that you look at what is the chartline. And there are dips in it. There'll come a month, this coming month or when the figures are released—we think that August has been in a kind of doldrums. And it may show a dip, but that'll be a glitch. It won't be down lower than what it's been for the last several months. But we believe that, rather than artificial programs that make for dead-end and temporary jobs as we've had in the past, they don't last; they aren't permanent; and they also just delay the bringing back of a solid base to the economy. We think we're on the way to establishing that solid base, and that is the hope for the unemployed.

Now, may I just add something else here? Some of you, I know, have commented that our job-training program was training people for jobs that don't exist. Well, do you remember once up here when I cited how many pages in the metropolitan newspapers on Sunday, how many pages of help wanted ads there are? And if you look at them, they're all for people with particular training or skills and so forth. Well, there are still that many help wanted ads, meaning there are that many open jobs looking for someone to fill them.

And I was misunderstood at the time. I wasn't trying to minimize unemployment, I was suggesting at the time that part of our job must be to train young people, who are the greatest percentage—I mean, they are in the greatest percentage of unemployed—train them for those jobs that we know are there and are not being filled. And at the rate of a million a year, we think this is a good investment.

Relations With Israel

Q. Mr. President, I seem to get the impression from what you are saying about our relationships with Israel that nothing has really changed in the wake of the massacre in Beirut or the temporary rejection, anyway, of your peace plan. Is that correct? Is there no change at all?

The President. There's no change in the sense that we're still going with everything we can. We're going to try and persuade the Arab neighbors of Israel to do as Egypt once did, and Israel, to negotiate out a permanent peace solution, in which Israel will no longer have to remain an armed camp, which is making their life economically unbearable. And at the same time, an answer must be found that is just and fair for the Palestinians. And I don't think anything has happened to change that, if I understood your question correctly. Nothing has changed in our feeling of obligation to bring about, if we can, such a result.

Q. Sir, I really meant our relationship with the Begin government. Is it as cordial and friendly? Is it now tense? Is it—what is the situation?

The President. I can tell you one thing it isn't. It isn't what some of you have said or written, that we are deliberately trying to undermine or overthrow the Begin government. We have never interfered in the internal government of a country and have no intention of doing so, never have had any thought of that kind. And we expect to be doing business with the Government of Israel and with Prime Minister Begin, if

that's the decision of the Israeli people. I think that Frank Reynolds [ABC News] last night voiced something that we believe, and that is that the Israeli people are proving with their reaction to the massacre that there's no change in the spirit of Israel. They are our ally, we feel morally obligated to the preservation of Israel, and we're going to continue to be that way.

Federal Taxation

Q. Mr. President, last December when you were making out your budget, you came down very hard against any tax increases then. And yet, 6 months later you were forced to go in for a rather hefty package. Some of your top aides are already speaking pessimistically of the recovery being here in time to affect your budget next year. How can you really afford to stand here and vow that you won't raise taxes, and, if you're not going to, where are you going to take up that slack?

The President. Well, I've expressed my personal feeling about the taxes. We still have a tax cut coming in July of 1983. I believe that that tax cut is essential. So far, the people have had a 15-percent cut. They now have the other 10 percent coming. I think that indexing is vital. Of course, at the same time that I say indexing is vital, I have a feeling that if we can be as successful as we've been and keep on going curbing inflation, then indexing won't make much difference.

Ms. Thomas. Thank you, Mr. President.

The President. Helen, thank you. I thought you'd never say it. [*Laughter*]

Note: The President's 13th news conference began at 7:30 p.m. in the East Room at the White House. It was broadcast live on nationwide radio and television.

Appointment of Barbara Marumoto as a Member of the Intergovernmental Advisory Council on Education
September 29, 1982

The President today announced his intention to appoint Barbara Marumoto to be a member of the Intergovernmental Advisory Council on Education for a term expiring July 27, 1986. She will succeed Joan M. Gubbins.

She has been serving as a State Representative for the Hawaii House of Representatives since 1978. She was a delegate to the State constitutional convention in 1978. She served as a legislative aide and researcher in 1972–1978. She graduated from the University of Hawaii at Manoa (B.A., 1971). She has four children and resides in Honolulu, Hawaii. She was born July 21, 1939.

Remarks at a Virginia Republican Party Rally in Richmond
September 29, 1982

Governor Dalton, the Members of the Congress, State Chairman Al Cramer, the delegates and candidates for the House of Delegates, you ladies and gentlemen—and, oh, how happy I am to see all you young people here. You're what this election is all about—the country that you're going to have when it's your turn to take over.

[*At this point, the President was interrupted by shouting from someone in the audience.*]

I thank all of you for certainly a warm Virginia welcome. You know, it's a pleasure——

[*At this point, the audience began chanting and then applauded the President.*]

Thank you.

I couldn't hear what the words of dissent might have been, but, once again, aren't we happy that we can live in a country where somebody, by himself, can dissent with the crowd and know that the roof isn't going to fall in. Of course, I'd like to have a chance to convert him. [*Laughter*]

You know, it's a pleasure to be able to travel such a short distance and still come so far from the Washington state of mind. [*Laughter*] On this side of the river, only horses suffer from Potomac fever. [*Laughter*] Hard work, love of families, belief in God are the values at the center of life in Virginia. And with your help and that of your Representatives, we're going to return respect for those values to our National Government.

I want to thank you for your able Republican delegation. They serve Virginia and they serve the Nation well. I have had—and rely on—the advice and support of leaders like your distinguished former Governor, John Dalton, and the Senator who had to stay on the job, John Dalton [Warner],[1] Representatives like Tom Bliley and Ken Robinson and Paul Trible, who—if you do what I think you're going to do—will be Senator Paul Trible. I'm counting on the people of Virginia to reelect these fine House Members and to send Paul to the United States Senate this November.

In this election and throughout this decade, the American people will be asked to reaffirm our difficult course toward national renewal. The vote of every citizen will matter, and every ounce of individual commitment will count. And make no mistake: The choice the American voters have this year is just as important as the one they had 2 years ago. It's a clear choice, as you've been told already, about the kind of nation that we will be—whether we will continue our sure and steady course to put America back on track, or whether we will slide backward into another economic binge like the one which left us with today's pounding national hangover.

Not that this campaign doesn't have its humorous side. You should hear some of the things that the candidates on the other side have been saying. They're getting more imaginative every day. You know, it won't be long before they will have convinced themselves that the astronomers are correct, those astronomers that believe in the "big bang theory," that the whole universe and the world suddenly came into being through a big explosion, a big bang. In their version, history began with a big bang on January 21st, 1980 [January 20, 1981].[2] [*Laughter*] According to them, the economic crisis emerged full-blown by spontaneous generation just a few seconds after I took the oath of office. Well, with all respect to astronomers, let's take a look at history. You heard some already, and it's all true.

In the 4 years before we got to Washington, the entire Government of the United States was in the hands of those today who are the most vocal of our critics. They controlled the Presidency, the United States Senate, the House of Representatives, all the committees of the Congress, the entire executive branch, the hundreds of departments, agencies, and administrative units responsible for running the Federal Establishment—something no Republican administration has experienced for nearly 30 years.

When my friends on the other side began this power monopoly, America was enjoying economic stability that would be a source of envy today. Inflation was running at 4.8 percent at the end of 1976, as Gerald Ford left office. And the prime interest rate was under 7 percent. You could get a home mortgage for 9 percent.

But in these 4 years of Democratic monopoly—and let me point something out. When I use the term referring to the opposition party, the Democratic Party, I spent most of my life as a Democrat. I know that others in this room did, and I know there are others in this room who still are members of that party. But what has happened is a great gulf has developed between the leadership of the Democratic Party and millions of rank-and-file Democratic Party members who aren't in lockstep with that leadership.

Inflation shot up to over 13 percent in

[1] *White House correction.*

[2] *White House correction.*

1979 to an astonishing 18 percent by January of 1980. Those in charge of the government managed to do something that had not been done in over 60 years—they gave us 2 years of back-to-back, double-digit inflation. Interest rates began their nightmarish climb. From less than 7 percent in '76, they climbed to 21½ percent in 1980. Mortgages went as high as 17½ percent, and homebuying came to a drastic halt.

These were the highest interest rates in over a century. Productivity dropped in '79 and '80, and that was the first 2-year-in-a-row drop in productivity in our recorded history. The savings rate went down. The rate of increase of industrial production dropped every year. The rate of increase in our gross national product dropped for 3 years straight. High taxes smothered the incentives of individuals and businesses. Taxpayers began paying the due bills for runaway inflation, as it kicked them relentlessly into higher income tax brackets.

Think of it. Your taxes actually doubled in the 5 years before we came to Washington. A Democratic President and a Democratic Congress passed the single highest peacetime increase—tax increase—in the history of the Republic. The ultimate victims, of course, were American workers and their families and the senior citizens they professed to care so much about. The grim results were that both real wages and weekly earnings decreased between 1976 and 1980. So much for liberal fairness and liberal compassion for the working people of this nation.

Yes, America went backwards during those 4 Democratic years. The actual standard of living went down. In many ways, they marked the culmination of decades of overindulgence by the liberal Washington establishment. Government had spun out of control like a washing machine out of balance, and the programs just grew automatically. Regulations became more complex and added untold billions in new costs. Deficits caused our national debt to bulge rapidly toward the 1 trillion-dollar mark. New departments sprang up like toadstools after a rainstorm. [*Laughter*] Washington increasingly swallowed up the prosperity of the entire Nation.

Families were driven in the evening to the kitchen table to try and figure out—they sat around that table—how to cope with the inflation that robbed their buying power at the same time it reduced their spendable earnings. Young couples didn't dream of new homes; they dreamed of just surviving. Small businesses were hit especially hard. The only sure thing was the unstoppable fattening of the United States Government.

In the year before I took office, Federal spending increased by 17 percent in that single year. How many of our fellow citizens were able to say that their incomes or their pensions or their savings had gone up by 17 percent?

This legacy was the inevitable result of the liberal Democratic philosophy that the Federal Government could be all things to all people. The Congress had been under virtual one-party control for a quarter of a century, a spendthrift era of busted budgets and fatter and fatter government. For every new tax, there were always plenty of new ways to spend it. The Washington establishment believed that the only good dollar was the one taken out of a taxpayer's pocket. As a matter of fact, they began to talk about, and still talk about, the legitimate deductions that you're permitted by law in computing your income tax as "tax expenditures," meaning that all of your money belonged to them, they only let you keep what they decided you should keep.

Today, right now, we're all paying the penalty of those tragic excesses. Nearly 11 million people are out of work, and I share their suffering and frustration.

Every American should be shocked at the economic chaos which created today's needless results. Words cannot tell how painful it is to me that each day, for millions of Americans, is one of hurt and indignity because they want to work and can't find a place where they can sell their ability to work.

You younger people: I grew up in the era of the Depression, and there are others in this room who did, also. Anyone who tells you that we don't have compassion for someone who's lost his job doesn't know what they're talking about, because we saw that great tragedy—[*applause*]——

We all wish there were some quick and easy cure for this terrible economic illness that was so long in the making. For months now I've been biting my tongue while I've listened to all those strident speeches about how we've purposely thrown people out of work. Well, it seems to me that the people who have created the mess we're in, the same politicians who took us down the path of guaranteed economic disaster, are the last ones who should be delivering sermonettes on the cause of unemployment.

From our very first day of office, we've been working to undo the economic wreckage they left behind. As a matter of fact, when I finished taking the oath on that inaugural day, I turned around and went back into the Capitol. We found a table, and I sat down and signed an Executive order right then, freezing the size of the Federal Government.

To get control of the spending, encourage incentives by lowering taxes, to stop the unwise regulations and start America on the road to expansion and growth once again—that is what we've been trying to do since that January day.

Our first urgent priority was to break the back of inflation, because it touched on nearly every other economic problem we had. And we did. We have more than cut it in half—3.3 last month, but since January, it has averaged 5.1 percent.

And as you were told, the interest rates have also dropped by nearly 40 percent. People are saving more, and they're paying lower taxes than if we had not taken the action we did. The prime interest rate isn't 21½; it has been 13½, but yesterday the Bankers Trust lowered it again to 13 percent.

This devastating recessionary virus, one that many economists believe started and has continued since 1979, has begun to show signs of finally running its course. For 4 months in a row now the leading economic indicators have been encouraging. Confidence has soared in the stock market; it's gone up 140 points in the last 7 weeks. These are positive signals. While there may be an occasional blip, the pattern is firmly established.

I believe deeply that we can put this nightmarish economic calamity behind us if we have the strength to stick to our course. But until there's a job for every American who wants to work, and as long as plants and machinery lay idle, we cannot let up in our efforts. From the very beginning I've cautioned that this work of recovery would be arduous and long. Progress would come slowly, but it would come steadily.

This has been a time of great testing, and a time when millions of Americans have displayed enormous courage and patience. The road to economic recovery is never easy, but we have made progress. Yet this election season has brought a clamor of negative voices that nothing seems to please. The cuts in spending, they say, are too deep. Taxes are too low. Their favorite special interests have been hurt. Despite all their failures of the past, they still oppose our comprehensive reform measures, and what is their alternative?

Well, the Congressman was right. As far as anyone can tell, their answers have mostly been recommendations to repeat their own past failures, artificially stimulate the money supply, more spending on what they call job programs, but at the same time raise taxes—in short, everything they were doing between 1977 and 1980.

Well, I've got news for them. Double-digit inflation is no alternative; 21½-percent interest rates are no alternative; another trillion dollars of national debt is no alternative; higher taxes are no alternative.

To my liberal friends I say: You can't create a desert and then hand someone in the middle of that desert a cup of water and call that compassion. You can't pour billions of dollars into dead end, make-work jobs and call that opportunity. You cannot build up years and years of degrading dependence by our citizens on the government and then dare to call that hope. And believe me, you can't drive our people to despair with crises that wipe them out or taxes which sap their energies and then boast that you've given them fairness.

We spent in those years—that 7-year period I've talked about—we have spent $66 billion on job programs, government job programs, and during those times unemployment continued to increase, and it averaged 7 percent over those 7 years.

We've been down all those roads. Let's not make those same mistakes again. This time, let's do the job right.

We Americans have been sorely tested by these past few years of discouragement. But we've never been quitters, and we're not about to quit now.

I hear all those voices every day that say we can't succeed. Well, if we only put our heart and courage to the test, I say we cannot fail.

To those who are fainthearted and unsure, I have this message: If you're afraid of the future, then get out of the way, stand aside. The people of this country are ready to move again.

That wonderful Old Testament book of Ecclesiastes teaches us that "to everything there is a season." As I've traveled around the country, I've become more and more convinced that today America stands at the dawning of a season of hope. It is the hope which springs from the vitality of the American spirit, a hope that will fulfill the richness of all the promise that is within us.

Standing together, steady and unfaltering, we'll turn this new season of hope into the renewal of all the dreams and opportunities that our nation was placed on this Earth to provide.

To these young people I want to say I have a dream that I hope all of you share—that before we step down and they take over we will at least have made some payments to reduce that trillion-dollar debt. We will not keep on increasing it on down through the years to dump it on their backs.

Virginia is rich in tradition. I think everyone in America knows that and respects the traditions of this great State. You have a 50-year tradition, and certainly it crosses party lines, a tradition that for 50 years you had a Senate seat that was occupied by two Senators in succession, father and son, who were true to all of the things that we've been talking about and all of these ideals of fiscal responsibility and integrity and, yes, the spiritual revival of this country.

I think the best way to continue that tradition on beyond 50 years is to send Paul Trible to the United States Senate.

Thank you, and God bless you.

Note: The President spoke at 12:51 p.m. at the Richmond Arena following remarks by Representative Paul S. Trible, Jr., Republican candidate for the U.S. Senate from Virginia.

Following the rally, the President went to the Holiday Inn for a fundraising reception for Representative Trible.

Remarks in Richmond, Virginia, on Presenting a Technical Assistance Grant to Hampton Institute

September 29, 1982

The President. Dr. Harvey, as part of our ongoing effort to support historically black colleges and universities, I'm pleased to recognize Hampton Institute with a grant to further your service to the local small business community.

Hampton has a well-earned reputation for opening doors of opportunity, not only to its students but to the residents of your community. And this grant will help you and your efforts to increase local investment and create new jobs on the peninsula.

Paul Trible has told me of the seminars and the programs the Institute provides, training for local residents in management and efficiency. You're doing a fine job, and I join Senator Warner and Congressman Trible in commending you and the Institute for your community service.

And now, should be a check, but we don't do it that way. But to make sure that it is for real, I'm presenting you with the signed warrant that this is a $125,000 grant, technical assistance grant, to Hampton Institute.

Dr. William Harvey. Thank you very much, Mr. President. We appreciate your support for Hampton Institute as well as for all of black higher education.

Last year when you signed your Executive order, you instructed the Federal agencies to put more money into black higher education. And this has become a reality. Although spending was down for all of higher education, actually the black community—the black higher educational community received more money; as a matter of fact, about $3 million more than in the previous fiscal year. We thank you, Mr. President, for this support.

Congressman Trible has been a supporter of Hampton Institute for a long time. As a matter of fact, you might be interested to know that for several years he was against the pay raise in Congress. And he didn't get it, and he gave the pay raise to Hampton Institute. So, he's been a supporter for a long time. We appreciate Congressman Trible, and, Mr. President, we appreciate you. Thank you, sir.

The President. Thank you.

Note: The President spoke at 1:50 p.m. at the Holiday Inn.

The grant for the Hampton Institute Economic Development Technical Assistance Center was to carry out a program of assistance to small business on the southern peninsula of Virginia. Its objectives were to increase investment, stabilize existing employment, create new jobs, and contribute to growth of the peninsula's economy.

As printed above, this item follows the text of the White House press release.

Question-and-Answer Session With Reporters on the Situation in Lebanon

September 29, 1982

Q. Mr. President, can we ask, did you mean to say last night that the troops will stay in until the Syrians and the Israelis leave? There's been some confusion at the Pentagon.

The President. No.

Q. You meant to say that?

The President. No, what I said was that we expected that to take place soon, but that the determination of when we leave will be the Government of Lebanon—when they feel that they are in charge and can provide for their own security, they will ask us to leave. What I did say was that, based on the assertions of both Israel and Syria and the statements of the Arab allies, that I expect the departure of those other forces to take place probably sooner than Lebanon would be ready for us to.

Q. So, we're going to wait till the Lebanese Government asks us to remove our troops? That will be the——

The President. What?

Q. We're going to wait until the Government of Lebanon asks us to remove our troops?

The President. They will approve that when they're ready to, when they assume the command.

Q. We're going to wait until they ask us to remove the troops before the marines come out?

The President. Well, yes. I think that—they asked us in.

Q. And it'll be after the withdrawal of the other forces?

The President. Well, as I say, my assertion was my expectation that the withdrawal would be coming promptly. I'm not tying that to what Lebanon may decide, but I said that because they've all stated that they want to withdraw, then I expect that withdrawal to take place rather soon.

Note: The exchange began at approximately 1:45 p.m. as the President was leaving the Holiday Inn in Richmond, Va.

Letter to the Speaker of the House and the President Pro Tempore of the Senate Reporting on United States Participation in the Multinational Force in Lebanon

September 29, 1982

Dear Mr. Speaker: (Mr. President:)

On September 20, 1982, the Government of Lebanon requested the Governments of France, Italy, and the United States to contribute forces to serve as a temporary Multinational Force, the presence of which will facilitate the restoration of Lebanese Government sovereignty and authority, and thereby further the efforts of the Government of Lebanon to assure the safety of persons in the area and bring to an end the violence which has tragically recurred.

In response to this request of the Government of Lebanon, I have authorized the Armed Forces of the United States to participate in this Multinational Force. In accordance with my desire that the Congress be fully informed on this matter, and consistent with the War Powers Resolution, I am hereby providing a report on the deployment and mission of these members of the United States armed forces.

On September 29, approximately 1200 Marines of a Marine Amphibious Unit began to arrive in Beirut. Their mission is to provide an interposition force at agreed locations and thereby provide the multinational presence requested by the Lebanese Government to assist it and the Lebanese Armed Forces. In carrying out this mission, the American force will not engage in combat. It may, however, exercise the right of self-defense and will be equipped accordingly. These forces will operate in close coordination with the Lebanese Armed Forces, as well as with comparably sized French and Italian military contingents in the Multinational Force. Although it is not possible at this time to predict the precise duration of the presence of U.S. forces in Beirut, our agreement with the Government of Lebanon makes clear that they will be needed only for a limited period to meet the urgent requirements posed by the current situation.

I want to emphasize that, as was the case of the deployment of U.S. forces to Lebanon in August as part of the earlier multinational force, there is no intention or expectation that U.S. Armed Forces will become involved in hostilities. They are in Lebanon at the formal request of the Government of Lebanon, and our agreement with the Government of Lebanon expressly rules out any combat responsibilities for the U.S. forces. All armed elements in the area have given assurances that they will refrain from hostilities and will not interfere with the activities of the Multinational Force. Although isolated acts of violence can never be ruled out, all appropriate precautions have been taken to ensure the safety of U.S. military personnel during their temporary deployment in Lebanon.

This deployment of the United States Armed Forces is being undertaken pursuant to the President's constitutional authority with respect to the conduct of foreign relations and as Commander-in-Chief of the United States Armed Forces.

I believe that this step will support the objective of helping to restore the territorial integrity, sovereignty, and political independence of Lebanon. It is part of the continuing efforts of the United States Government to bring lasting peace to that troubled country, which has too long endured the trials of civil strife and armed conflict.

Sincerely,

RONALD REAGAN

Note: This is the text of identical letters addressed to Thomas P. O'Neill, Speaker of the House of Representatives, and Strom Thurmond, president pro tempore of the Senate.

As printed above, this item follows the text of the President's letter as released by the Office of the Press Secretary.

Appointment of Two Members of the Presidential Advisory Committee on Federalism

September 30, 1982

The President today announced his intention to appoint the following individuals to be members of the Presidential Advisory Committee on Federalism. These are new positions.

William T. Coleman, Jr., has been serving as senior partner in the firm of O'Melveny & Myers in Washington, D.C., since 1977. He was Secretary of Transportation in 1975–1977. He was with Dilworth, Paxson, Kalish, Levy & Coleman, in Philadelphia, Pa., in 1952–1975. He graduated from the University of Pennsylvania (A.B., 1941) and Harvard University (LL.B., 1946). He is married, has three children, and resides in McLean, Va. He was born July 7, 1920.

Johnny L. Ford has been mayor of Tuskegee, Ala., since 1972. He is also president of the National Council of Black Mayors. He was vice president of Multi Racial Corp., New Orleans, in 1970–1971. He serves as committeeman of the Carver district Boy Scouts of America and is a member of the Governor's Manpower Ancillary Committee. He graduated from Knoxville College (B.S., 1946). He is married, has one child, and resides in Tuskegee, Ala. He was born August 23, 1942.

Remarks at a Reception for Supporters of the Proposed Constitutional Amendment for a Balanced Federal Budget

September 30, 1982

Thank you very much. Incidentally, a couple of visitors came in with me over here—Don Kendall and Lou Uhler, who are the cochairmen of the drive out there to help with this very thing that brings us together here today. But I'm here to thank 218 Members of the House of Representatives, Republicans and responsible Democrats, who joined together to sign the discharge petition for the balanced budget tax limitation amendment.

This is an important step forward in a struggle our administration has waged for many months—the battle to get runaway spending under control as part of our effort to restore America's economic health. Earlier this year in meeting with congressional leaders and at a rally on the Capitol steps, I urged prompt action on the constitutional amendment to require a balanced Federal budget. As you know, the amendment was passed by the Senate some time ago. Until now, however, it's been bottled up in the House.

Twenty-one red-ink budgets in 22 years are proof enough that we need and deserve a vote on this fundamental reform. It's not a partisan issue. I repeat, this is not a partisan issue. It's a matter of making government exercise the same kind of financial responsibility that every American family does. And as the polls show, an overwhelming majority of Americans back this amendment. For too long, the voice of the people has fallen on deaf ears in Washington. Now that a majority of the House of Representatives has called for a vote on the amendment—House Joint Resolution 350— it's imperative that the House act on this long-overdue measure.

I know of the concern that the leadership of the House may try to sabotage the passage of this resolution by an 11th-hour sleight of hand. This is no time to subvert the will of the Congress and the vast majority of our people. All Americans deserve to know where their Representatives stand on this balanced budget amendment before the Congress recesses for the campaign.

We've already made important progress in healing a sick economy. The statistics may waiver from time to time, but slowly, surely we are working our way to a recovery that can spare our children the prob-

lems that we face today.

Making this government live within its means will do more to bring interest rates and inflation down further, protect the earnings of our people, and put unemployed Americans back to work than anything else the Congress could do at this time.

I urge the House leadership to face this crucial issue, to follow the example of the 218 of you, Republican and Democrat, who signed the discharge petition, and put the national interest before politics. The time to act is now—for the sake of all of our people, for future generations of Americans whose chances for prosperity and opportunity are held hostage by big government's addiction to red-ink spending.

And, once again, God bless you all, and thank you very much.

Note: The President spoke at 3:24 p.m. in the Caucus Room of the Cannon House Office Building on Capitol Hill.

Statement on Signing a South Dakota Water Resources Development Bill

September 30, 1982

I am pleased to sign into law today H.R. 4347, a bill reauthorizing construction of the WEB rural water-supply pipeline in South Dakota, providing for study of further water resource developments in South Dakota, and authorizing the use of power generated through the Pick-Sloan Missouri Basin Program for irrigation-pumping for certain Indian lands.

One of the strengths of our American system of government is its ability to reconsider in an orderly manner well-established plans that later fail to meet changed conditions. In signing H.R. 4347, I am pleased that this strength enables me to help correct the course of our water resources development in South Dakota, so that real problems faced by real people can be met by real solutions.

I commend Governor William Janklow, Senator James Abdnor, Senator Larry Pressler, Congressman Clint Roberts of South Dakota, and other leaders in that State for their patient and thorough work in seeing the WEB Rural Water Development Act through to this milestone. I am pleased to add my official approval to this legislative effort, one that attests to the determination of the people of South Dakota and their elected Representatives and also, I believe, to the willingness of this administration to cooperate with the States in finding practical solutions to problems that have too long been ignored.

Note: As enacted, H.R. 4347 is Public Law 97-273, approved September 30.

Proclamation 4980—Staged Reduction of Rates of Duty on Certain Products To Carry Out a Trade Agreement

September 30, 1982

By the President of the United States of America

A Proclamation

1. Pursuant to section 124(a) of the Trade Act of 1974 (the Trade Act) (19 U.S.C. 2134(a)), I determined that certain existing duties of the United States are unduly burdening and restricting the foreign trade of the United States and that the purposes of the Trade Act would be promoted by entering into the trade agreement identified in

the third recital of this Proclamation.

2. Sections 131(a), 132, 133, 134, 135, and 161(b) of the Trade Act (19 U.S.C. 2151(a), 2152, 2153, 2154, 2155, and 2211(b)) have been complied with.

3. On December 31, 1981, pursuant to section 124 of the Trade Act and to section 6(b) of the Taiwan Relations Act (22 U.S.C. 3305(b)), my duly empowered representative entered into a trade agreement with the entity recognized by the President in section 1–204 of Executive Order 12143 of June 22, 1979 (22 U.S.C. 3301 note). The trade agreement provides that the rates of duty on certain products would be modified as hereinafter proclaimed and as provided for in Annex I to this proclamation, in exchange for certain measures which will benefit United States interests.

4. Pursuant to the Trade Act, I determine that the modifications or continuance of existing duties hereinafter proclaimed are required or appropriate to carry out the trade agreement identified in the third recital of this proclamation.

Now, Therefore, I, Ronald Reagan, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes, including but not limited to sections 124 and 604 of the Trade Act (19 U.S.C. 2134 and 2483), do proclaim that:

(1) The column 1 rates of duty applicable to articles provided for in items 141.78, 725.32, 734.10, 734.15, 734.87, 735.09, 735.20 and 772.35 of the Tariff Schedules of the United States (TSUS) (19 U.S.C. 1202) are modified as provided in Annex I to this proclamation.

(2) Annex III to Presidential Proclamation 4707 of December 11, 1979, and Annex III of Presidential Proclamation 4768 of June 28, 1980, are superseded to the extent inconsistent with this proclamation.

(3) Whenever the column 1 rate of duty in the TSUS for any item specified in Annex I to this proclamation is reduced to the same level as, or to a lower level than, the corresponding rate of duty in the column entitled "LDDC" in the TSUS for such item, the rate of duty in the column entitled "LDDC" for such item shall be deleted from the TSUS.

(4) Each of the modifications made by this proclamation shall be effective as to articles entered, or withdrawn from warehouse for consumption, on and after September 30, 1982.

In Witness Whereof, I have hereunto set my hand this 30th day of Sept. in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 11:27 a.m., October 1, 1982*]

Note: The annex to the proclamation is printed in the Federal Register *of October 4, 1982.*

Remarks at a Congressional Barbecue on the South Lawn of the White House

September 30, 1982

Before I talk about these wonderful entertainers who have been so generous and kind with their entertainment and so wonderful, I want to thank—at the beginning of the evening—I want to thank my good friend from California, and the other good friends with him and his troop, our barbecuers from Santa Maria, California, who came here all the way to barbecue.

I'd thank Roger Williams, except he isn't here to hear that. The reason he came down and said goodby was, he had to catch a plane. So, he's on his way. Ane we appreciate his talent I know, and we certainly all appreciate Tammy Wynette.

You were nervous? I had goose bumps. Tammy was beautiful. And thank you so very much for being with us. And you

know, I'm going to get a record of that and send it up to these ladies and gentlemen on the Hill—[*laughter*]—"Stand By Your Man." I like the whole idea.

And finally, this Army Chorus, it's always an inspiration to hear you. And of course, the Marine Orchestra has left us already. And they were wonderful in their part of the program, and this orchestra and your company that is with you, Tammy. We're most grateful to all of you.

I think one of the great pleasures that Nancy and I have had is getting to know so many of you personally in these 20 months that we've been here and to discover that we can disagree and still be agreeable. And on the Republican side, your support and guidance has been a valuable asset. I don't take it for granted. There's one thing, you can't be called a rubber stamp—[*laughter*]—I found that out on the tax bill. It's kind of like a happy marriage though. You have quarrels, and it's still a happy family.

Somebody told me—this is another news announcement—that Dave Stockman is getting married. His toughest budget battles lie ahead. [*Laughter*] If you think he doesn't take the budget seriously, the wedding cake is going to be cheesecake made with surplus cheese.

This has been an historical Congress, I want to say to all of you, whichever side you were on. You were part of, I think, a great philosophical change in direction, and I think it's a tribute to our form of government and to each of you that we can move from one basic economic and social perspective to another without a threat to the political freedoms that we all love so well and which were so beautifully proclaimed by the chorus here. But if there were any doubts, you made it clear that we are Republicans, we are Democrats, but one thing for certain, we are all Americans.

And now, again, under an almost full Moon, the weather turned out, everything was just fine. But this entertainment, Tammy and all of you, and all of you back there, it was just wonderful, and we thank you very much. Thank you.

Note: The President spoke at 6:40 p.m.

As printed above, this item follows the text of the White House press release.

Message to the Congress Reporting Budget Deferrals
October 1, 1982

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report twenty deferrals of fiscal year 1983 funds totaling $598,780,000. The deferrals are primarily routine in nature and do not, in most cases, affect program levels.

The deferrals are for programs in International Development Assistance, the Departments of Agriculture, Commerce, Defense, Energy, Health and Human Services, Interior, State, Transportation, Treasury, the District of Columbia, the Pennsylvania Avenue Development Corporation and the Railroad Retirement Board.

The details of each deferral are contained in the attached reports.

RONALD REAGAN

The White House,
October 1, 1982.

Note: The attachments detailing the deferrals are printed in the Federal Register *of October 7, 1982.*

Announcement of the Formation and Membership of the Presidential Task Force to Honduras

October 1, 1982

A U.S. Presidential Task Force to Honduras is scheduled to leave on October 2. Members of the task force will spend 2 weeks in Honduras reviewing its agricultural sector and advising the Government of Honduras on ways to improve its agricultural production and marketing system.

The task force is being led by Richard O. Wheeler, president and chief executive officer of Winrock International in Arkansas. Dr. Wheeler has taught agricultural economics at Montana State University and Oregon State University. He has also been a private agribusiness consultant.

This is the third Presidential agricultural task force to be sent to a developing country. Similar task forces went to Peru and Thailand earlier. The teams were established by the U.S. Agency for International Development (AID) at the direction of President Reagan, following the North-South summit talks at Cancún, Mexico.

Other members of the task force are: Robert Chapman Phelps, president, Consolidated Land and Livestock Co. of Nevada; Walter Minger, senior vice president for the Bank of America; Norman Johnson, vice president of Weyerhaeuser Co.; Clarence A. Boonstra, investment consultant to Weyerhaeuser Co.; Gerald Grant, office of international programs, Oklahoma State University; J. B. Penn, economic consultant of Economic Perspectives, Inc.; Frederick Lee Mann, College of Agriculture, University of Missouri at Columbia; and Arthur Lee Quinn, partner in the law firm of Gadsby and Hannah, Washington, D.C.

Remarks at a White House Luncheon for the Supreme Court Justices

October 1, 1982

Mr. Chief Justice and Associate Justices, we're grateful to you for joining us here at this luncheon marking the start of the October term of 1982 of the Supreme Court. This house is honored by your presence, and I'm honored to be your host.

My lawyers have warned me that one has to be extra careful not to exceed the limits in time in front of the Supreme Court. So, I will try to be brief.

I'm told that in the early days of our history it was the practice of the Justices to come to the White House to advise the President that they had survived the rigors of stagecoaches and horseback, and so forth, and had actually made it back to Washington so the October term could start. Now, later this became a kind of a traditional visit in memory of those more rigorous times. But in recent years we understand it's only been sporadically observed. So, I'm pleased that we can renew this special tradition, and, hopefully, we can establish it firmly enough that it will continue.

Americans have grown used, I think, to the role of the Court in our constitutional system. And, perhaps, we take for granted things that other persons in other times would find extraordinary. Certainly, I know that the Supreme Court of the United States is the only group of men—and now men and women—in history that has exercised significant authority over such a long period of time without having need for battalions of fighting men to enforce their decisions. I think it's a healthy reflection of the fact that the vast majority of our citizens respect and abide by the decisions of the judiciary as a matter of course.

Now, this isn't to say, of course, that we'll always agree on the important issues that are presented to you for decision. But we

take a little comfort in the fact that the Court, itself, is frequently of more than one mind about such matters. And it's neither surprising nor disturbing that our citizens may at times side with the dissenters. It's even rumored that Presidents sometimes disagree with particular Supreme Court decisions. It's inevitable that the Court's decisions become the focus of popular attention and debate, and, certainly, our Founding Fathers expected nothing different.

But about one point, at least, there can be no disagreement whatsoever: The Supreme Court must continue to demonstrate the independence and integrity that have always been its hallmarks. You, as members of the Court, are the principal guardians of those traditions under the rights and freedoms of all Americans.

On behalf of all our people, I would just like to say thank you for the distinguished service that you've given to our country. And I would especially like to thank you for your dedication to the idea that is carved above your doorway: "Equal Justice Under Law."

May God grant each of you a rich measure of His grace and wisdom as you face the challenges of the times.

And, now, if you will indulge me a bit further, there's actually another occasion worthy of special note today; that is the birthday of Justice William Rehnquist. Now, I've never been one to comment on the ages of public officials—[*laughter*]—I might say that if anyone——

[*At this point, the orchestra played "Happy Birthday."*]

I don't know and I won't reveal, but I just make one suggestion, having reached a point where I have found that this is much more comforting to me, and that is there comes a point in which if instead of celebrating birthdays you celebrate the anniversary of your 39th birthday, it's easier to bear. [*Laughter*] Happy birthday or happy anniversary, whichever you choose. [*Laughter*]

Note: The President spoke at 1:02 p.m. in the State Dining Room at the White House.

Nomination of William Poole VII To Be a Member of the Council of Economic Advisers

October 1, 1982

The President today announced his intention to nominate William Poole VII to be a member of the Council of Economic Advisers. He would succeed Jerry L. Jordan.

He has been serving as professor of economics at Brown University since 1974. He is also a consultant to the Federal Reserve Bank of Boston. He was visiting economist, Reserve Bank of Australia, in 1980–1981 and visiting scholar, Federal Reserve Bank of San Francisco, in the summer of 1977. He served as an adviser to the Federal Reserve Bank of Boston in 1973–1974. He was a visiting lecturer at the Massachusetts Institute of Technology in the spring of 1974 and the spring of 1977. He served as Senior Economist, Board of Governors of the Federal Reserve System, 1970–1974 (on leave, 1973–1974) and as economist, Board of Governors, in the summer of 1964 and in 1969–1970.

He graduated from Swarthmore College (A.B., 1959) and the University of Chicago (M.B.A., 1963; Ph. D., 1966). He is married, has three children, and resides in Providence, R.I. He was born June 19, 1937.

Letter to Republican Leaders of the House of Representatives Concerning the Proposed Constitutional Amendment for a Balanced Federal Budget

October 1, 1982

Dear Bob: (Dear Trent:)

I want to take this opportunity to express my full support for H.J. Res. 350, the Balanced Budget/Tax Limitation Amendment to the Constitution.

H.J. Res. 350 is the result of years of work and attention to detail. It is carefully drafted to achieve both the objectives I have always considered essential for such a Constitutional amendment—balanced budgets and a limitation on the share of the nation's product the government can take in taxes. Only by this combination of provisions can we control both deficits and spending.

I understand that a substitute for H.J. Res. 350 will be offered in the House of Representatives—a substitute requiring only that the executive and the Congress plan for a balanced budget on paper. H.J. Res. 350 provides strong enforcement provisions to ensure actual spending does not exceed planned levels and that a balanced budget is achieved—not merely projected. By contrast, the proposed substitute contains no enforcement requirement whatsoever and fails to limit future growth of tax burdens on the American people.

In short, it is a transparent device designed to mislead the public and permits spending deficits and taxes to rise unimpeded.

It is my hope that the House of Representatives will—as the Senate has—keep faith with the overwhelming majority of Americans who want a meaningful, credible, and effective amendment. Among the choices before the House of Representatives, only H.J. Res. 350 will place enforceable restraints on Federal spending and Federal taxation. There is no more significant step we can take for the nation's long-term economic health and prosperity than to approve this historic measure.

Sincerely,

RON

Note: This is the text of identical letters addressed to House Minority Leader Robert H. Michel and House Minority Whip Trent Lott.

Letter to Members of the House of Representatives Supporting the Proposed Constitutional Amendment for a Balanced Federal Budget

October 1, 1982

Dear Barber: (Dear Ed:)

On this historic occasion—the consideration of the House of Representatives of H.J. Res. 350—I want to express my support for your bipartisan, joint resolution, the Balanced Budget/Tax Limitation Amendment to the Constitution. I know that an overwhelming majority of the American people share our view.

I have long supported, at both the state and Federal levels of government, a Constitutional approach to fiscal responsibility that would not only provide balanced budgets but would also limit the share of the nation's product the government could take in taxes. We must control not only the deficit, but also the overall levels of spending and taxes.

H.J. Res. 350 is designed to accomplish these two objectives—balancing the budget and limiting taxes. It is the result of years of work and careful attention to detail. It provides enough flexibility to enable the Congress to deal with unexpected events, but at the same time its provisions are enforce-

able.

I know that you will do everything in your power to impress upon your colleagues that now is not the time to be sidetracked by the eleventh hour gimmick invented by the House leadership. As you well know, the so-called Alexander substitute is not a credible, enforceable amendment. It does not require the Congress or the President to take any action to achieve a balanced budget. This transparent device is designed to mislead the American people and sabotage the long, difficult struggle to impose permanent constitutional discipline on the spending and tax decisions of government.

The Senate has already passed the Balanced Budget/Tax Limitation Amendment to the Constitution, and I urge its adoption in the House of Representatives as well.

Sincerely,

RON

Note: This is the text of identical letters addressed to Representatives Barber B. Conable, Jr., of New York and Edgar L. Jenkins of Georgia.

Remarks and a Question-and-Answer Session With Reporters Following the House of Representatives Vote on the Proposed Constitutional Amendment for a Balanced Federal Budget

October 1, 1982

The President. Today I share the deep, burning anger, I think, of millions of Americans. Despite stonewalling by the Democratic leadership of the House of Representatives, a majority of Members finally forced a vote on the balanced budget-tax limitation amendment. Tragically and for purely partisan reasons, these same House Democrats who didn't want the vote have again played politics with the will of the people.

This should not be a partisan issue. Indeed, almost a third of the Democratic Members, I must say, recognized the desires of the people and were willing to support them. But House Joint Resolution 350 was developed over several years by prominent constitutional scholars. It was passed overwhelmingly by the Senate. The leadership in the House pasted together a phony, last-minute political sham with no teeth in it which failed to pass. Their only concern was to defeat a real balanced budget-tax limitation amendment, and this they finally managed to do.

They have choked off the chances for a balanced budget amendment this year. We'll fight on. The American people are overwhelmingly with us, and our numbers are growing. We can take heart from the fact that 236 Republicans and Democrats, a clear majority of the House, joined together in the bipartisan support of a balanced budget. A constitutional amendment, however, requires a two-thirds majority, which would have been 290 votes, and therefore the measure failed.

It was year after year of government living beyond its means that plunged our nation into a deep, painful mess, one that culminated in 1980 with double-digit inflation, climbing unemployment, 21½-percent interest rates, and the highest peacetime tax burden that we've ever known. Yet today, incredibly, we heard the House leadership still claiming that a balanced budget would wreck the economy.

To the overburdened taxpayers who are paying so dearly for the mistakes of the past, I pledge to you, we will redouble our efforts. We'll submit our amendment again, and with the support of the people we'll keep up the pressure until Congress makes an iron-clad commitment to bring spending

in line with revenues. When the Congress busts the budget, it's the American people who are short-changed.

This vote today makes clear who supports a balanced budget and who does not. Voters across America should count heads and take names. In November we must elect Representatives who will support the amendment when we propose it again in the spring.

Q. Sir, what's unfair about the Democrats' assertion that if you want a balanced budget you should submit a balanced budget?

The President. No one believes, Sam [Sam Donaldson, ABC News]—I shouldn't take any questions, and I'm not going to, but I'm going to answer that one—because no one believes that the passing of such an amendment means that instantly we could achieve this. There is a time lapse in between which gives us plenty of time to begin to bring this budget back under control without devastating a number of worthwhile programs that people are dependent on, and it's going to take some work to achieve that. And it can be accomplished.

So, it isn't a case that if this were passed that instantly after the vote we have to start. We have reduced the rate of increase in the budget from 17 percent when we started down to 4½ percent in the next year's budget that has been proposed.

Q. Sir, that wasn't my question. I mean, you've answered a question I didn't ask.

The President. I'm answering the question because the question you asked—the answer is so obvious that obviously after these years of out-of-control and buildup to the level they have, there's no one that pretended that you could—this would then have to go to the States for ratification. There would be a period of time before it was actually put in place. And in that period of time you have an opportunity to work out a budget which would not have to penalize people who are dependent now on the Government for help.

Q. Are you saying then, sir, that you think you could have a balanced budget by 1986, which was the goal of that amendment? Do you think that likely? Could you commit yourself today to that goal?

The President. We would have to, and I would be willing to go at it with that regard because——

Q. Do you think that's likely though? Isn't it really a case of politics by both sides?

The President. No. What's wrong with all the years that we've been advocating this? For 8 years I served as Governor of a State where we had it, and it was never violated except once by a Democratic administration and legislature in the State of California that used some bookkeeping tactics to repeal that.

Q. Are you sorry it came to a vote today?

The President. What?

Q. Are you sorry it came to a vote today?

The President. Sorry that——

Q. Are you sorry it came to a vote today?

The President. Yes, and I think that that was intentional. I think if we'd had more time for the people to know what was going on and make their wishes definitely known, I think the Congress might have acted differently.

Q. Can you tell us anything, sir, about the Habib mission, whether he has negotiated that withdrawal yet?

Q. Is this one for Tip? Did Tip beat you on this one, sir?

The President. What?

Q. Did Tip beat you on this one? You've beaten him often enough. Is this one for Tip?

The President. No, he beat the American people.

Note: The President spoke at 4:41 p.m. in the Briefing Room at the White House.

Executive Order 12384—Establishment of Emergency Board No. 196 To Investigate a Railroad Labor Dispute

October 1, 1982

Establishing an Emergency Board To Investigate a Dispute Between the Southeastern Pennsylvania Transportation Authority and the Delaware Transportation Authority, and Certain Labor Organizations

A dispute exists between the Southeastern Pennsylvania Transportation Authority (SEPTA) and the Delaware Transportation Authority (DTA), and certain labor organizations, designated on the list attached hereto and made a part hereof, representing those employees of the Consolidated Rail Corporation (Conrail) who are to be transferred to the SEPTA and DTA as part of the transfer of commuter rail service responsibility from Conrail to the SEPTA and DTA, pursuant to Section 1145 of the Northeast Rail Service Act of 1981.

The dispute concerns the terms and conditions of new collective bargaining agreements, which were required to be negotiated by September 1, 1982, by Section 510(a) of the Rail Passenger Service Act, as amended ("the Act"). As of this date, the parties have not entered into new collective bargaining agreements, and the SEPTA, the Northeast Commuter Services Corporation, and the Brotherhood of Locomotive Engineers have requested the President to establish an emergency board pursuant to Section 510(b) of the Act.

Section 510(c) of the Act provides for the President, upon request of a party, to appoint an emergency board to investigate such dispute and to make a report and recommendation for settlement.

Now, Therefore, by the authority vested in me by Section 510 of the Rail Passenger Service Act, as amended (45 U.S.C. § 590), it is hereby ordered as follows:

1-101. Establishment of Board. There is established, effective October 1, 1982, a board of three members to be appointed by the President to investigate this dispute. No member shall be pecuniarily or otherwise interested in any organization of railroad employees or any commuter authority providing commuter rail service. The Board shall perform its functions subject to the availability of funds.

1-102. Public Hearing. The board shall conduct a public hearing on the dispute at which each party shall appear and provide testimony.

1-103. Initial Report. The board shall report on the dispute within 30 days after the date of its creation.

1-104. Final Offers. If the parties have not settled the dispute within ten days after the board's report, the board shall require the parties to submit, within five days, their final offers for settlement of the dispute.

1-105. Final report. Within 15 days after the submission of final offers, the board shall submit a report to the President setting forth its selection of the most reasonable offer.

RONALD REAGAN

The White House,
October 1, 1982.

Pennsylvania/Delaware:

Labor Organizations

American Train Dispatchers Association
ARASA Division, Brotherhood of Railway and Airline Clerks
Brotherhood of Locomotive Engineers
Brotherhood of Maintenance of Way Employees
Brotherhood of Railway and Airline Clerks
Brotherhood Railway Carmen of the United States and Canada
Brotherhood of Railroad Signalmen
International Association of Machinists and Aerospace Workers
International Brotherhood of Boilermakers and Blacksmiths
International Brotherhood of Electrical Workers
International Brotherhood of Firemen and Oilers
Railroad Yardmasters of America
Sheet Metal Workers International Association

Transport Workers Union of America
United Transportation Union

[*Filed with the Office of the Federal Register, 9:34 a.m., October 4, 1982*]

Executive Order 12385—Establishment of Emergency Board No. 197 To Investigate a Railroad Labor Dispute

October 1, 1982

Establishing an Emergency Board To Investigate a Dispute Between New Jersey Transit Rail Operations, Inc. and Certain Labor Organizations

A dispute exists between New Jersey Transit Rail Operations, Inc. (NJTRO), and certain labor organizations, designated on the list attached hereto and made a part hereof, representing those employees of the Consolidated Rail Corporation (Conrail) who are to be transferred to the NJTRO as part of the transfer of commuter rail service responsibility from Conrail to the NJTRO, pursuant to Section 1145 of the Northeast Rail Service Act of 1981.

The dispute concerns the terms and conditions of new collective bargaining agreements, which were required to be negotiated by September 1, 1982, by Section 510(a) of the Rail Passenger Service Act, as amended ("the Act"). As of this date, the parties have not entered into new collective bargaining agreements, and the NJTRO and the Brotherhood of Locomotive Engineers have requested the President to establish an emergency board pursuant to Section 510(b) of the Act.

Section 510(c) of the Act provides for the President, upon request of a party, to appoint an emergency board to investigate such dispute and to make a report and recommendation for settlement.

Now, Therefore, by the authority vested in me by Section 510 of the Rail Passenger Service Act, as amended (45 U.S.C. § 590), it is hereby ordered as follows:

1-101. Establishment of Board. There is established, effective October 1, 1982, a board of three members to be appointed by the President to investigate this dispute. No member shall be pecuniarily or otherwise interested in any organization of railroad employees or any commuter authority providing commuter rail service. The Board shall perform its functions subject to the availability of funds.

1-102. Public Hearing. The board shall conduct a public hearing on the dispute at which each party shall appear and provide testimony.

1-103. Initial Report. The board shall report on the dispute within 30 days after the date of its creation.

1-104. Final Offers. If the parties have not settled the dispute within ten days after the board's report, the board shall require the parties to submit, within five days, their final offers for settlement of the dispute.

1-105. Final report. Within 15 days after the submission of final offers, the board shall submit a report to the President setting forth its selection of the most reasonable offer.

RONALD REAGAN

The White House,
October 1, 1982.

New Jersey:

Labor Organizations

American Train Dispatchers Association
ARASA Division, Brotherhood of Railway and Airline Clerks
Brotherhood of Locomotive Engineers
Brotherhood of Maintenance of Way Employees
Brotherhood of Railway and Airline Clerks
Brotherhood of Railway Carmen of the United States and Canada
Brotherhood of Railroad Signalmen
International Association of Machinists and Aerospace Workers
International Brotherhood of Boilermakers and Blacksmiths

International Brotherhood of Electrical Workers
International Brotherhood of Firemen and Oilers
International Brotherhood of Teamsters
Railroad Yardmasters of America
Sheet Metal Workers International Association
Transport Workers Union of America
United Transportation Union

[*Filed with the Office of the Federal Register, 9:35 a.m., October 4, 1982*]

Executive Order 12386—Establishment of Emergency Board No. 198 To Investigate a Railroad Labor Dispute

October 1, 1982

Establishing an Emergency Board To Investigate a Dispute Between the New York Metropolitan Transportation Authority and the Connecticut Department of Transportation, and Certain Labor Organizations

A dispute exists between the New York Metropolitan Transportation Authority (MTA) and the Connecticut Department of Transportation (CDOT), and certain labor organizations, designated on the list attached hereto and made a part hereof, representing those employees of the Consolidated Rail Corporation (Conrail) who are to be transferred to the MTA and CDOT as part of the transfer of commuter rail service responsibility from Conrail to the MTA and CDOT, pursuant to Section 1145 of the Northeast Rail Service Act of 1981.

The dispute concerns the terms and conditions of new collective bargaining agreements, which were required to be negotiated by September 1, 1982, by Section 510(a) of the Rail Passenger Service Act, as amended ("the Act"). As of this date, the parties have not entered into new collective bargaining agreements, and the MTA and the Brotherhood of Locomotive Engineers have requested the President to establish an emergency board pursuant to Section 510(b) of the Act.

Section 510(c) of the Act provides for the President, upon request of a party, to appoint an emergency board to investigate such dispute and to make a report and recommendation for settlement.

Now, Therefore, by the authority vested in me by Section 510 of the Rail Passenger Service Act, as amended (45 U.S.C. § 590), it is hereby ordered as follows:

1-101. Establishment of Board. There is established, effective October 1, 1982, a board of three members to be appointed by the President to investigate this dispute. No member shall be pecuniarily or otherwise interested in any organization of railroad employees or any commuter authority providing commuter rail service. The Board shall perform its functions subject to the availability of funds.

1-102. Public Hearing. The board shall conduct a public hearing on the dispute at which each party shall appear and provide testimony.

1-103. Initial Report. The board shall report on the dispute within 30 days after the date of its creation.

1-104. Final Offers. If the parties have not settled the dispute within ten days after the board's report, the board shall require the parties to submit, within five days, their final offers for settlement of the dispute.

1-105. Final report. Within 15 days after the submission of final offers, the board shall submit a report to the President setting forth its selection of the most reasonable offer.

RONALD REAGAN

The White House,
October 1, 1982.

New York/Connecticut:

Labor Organizations

American Train Dispatchers Association
AMTRAK Service Workers Council
ARASA Division, Brotherhood of Railway

and Airline Clerks
Brotherhood of Locomotive Engineers
Brotherhood of Maintenance of Way Employees
Brotherhood of Railway and Airline Clerks
Brotherhood Railway Carmen of the United States and Canada
Brotherhood of Railroad Signalmen
International Association of Machinists and Aerospace Workers
International Brotherhood of Boilermakers and Blacksmiths
International Brotherhood of Electrical Workers
International Brotherhood of Firemen and Oilers
International Brotherhood of Teamsters
Railroad Yardmasters of America
Sheet Metal Workers International Association
Transport Workers Union of America
United Transportation Union

[*Filed with the Office of the Federal Register, 9:36 a.m., October 4, 1982*]

Announcement of the Establishment of Three Emergency Boards To Investigate Railroad Labor Disputes

October 1, 1982

The President announced today that he has established, effective October 1, 1982, three Emergency Boards (Nos. 196, 197, and 198) to investigate disputes between rail labor unions and local commuter authorities operating in the Northeastern United States, and to recommend settlements for new collective bargaining agreements.

Establishment of the Emergency Boards was authorized by the Northeast Rail Service Act of 1981, passed by Congress last summer at the administration's request. Commuter rail service in the metropolitan New York/New Jersey and Philadelphia areas, currently operated by Conrail, will be transferred to local commuter authorities by January 1, 1983, in preparation for the Federal Government's planned sale of Conrail's freight operations to the private sector.

Separate Emergency Boards are being established to investigate the disputes between the commuter authorities and more than a dozen rail labor unions in the following service areas:

—New York/Connecticut—for Conrail's Harlem and Hudson lines, which are being transferred to the New York Metropolitan Transportation Authority (MTA), and the New Haven line, which will be operated jointly by MTA and the Connecticut Department of Transportation (CDOT);

—New Jersey—for Conrail's commuter lines in the northern part of the State, which are being transferred to New Jersey Transit Rail Operations (NJTRO), a new subsidiary of the State transit authority;

—Pennsylvania/Delaware—for Conrail's Penn Central and Reading lines, which are being transferred to the Southeastern Pennsylvania Transportation Authority (SEPTA), including service sponsored by the Delaware Transportation Authority (DTA).

Collective bargaining between the unions and the commuter authorities has been underway since midsummer on a variety of issues, including wages and work rules. Although the 1981 act required appointment of the Emergency Boards by early October, the parties have indicated that they will continue to negotiate as the Boards begin their fact-finding proceedings. Each Board is required to hold public hearings on the disputes in its service area and issue a report within 30 days. If the parties are still unable to reach agreement, they will then submit final offers to the Board, which will

recommend the "most reasonable" offer as the settlement.

Note: The White House press release included a fact sheet on Conrail and the provisions of the Northeast Rail Service Act of 1981.

Radio Address to the Nation on Federal Drug Policy
October 2, 1982

The President. My fellow Americans, those of you who tuned in a few weeks ago may remember that the topic of my broadcast was crime. Well, this week I'd like to narrow that subject down to drugs, an especially vicious virus of crime.

In the last few days, I've had two reports on drugs in America. First, Nancy returned from a trip to Alabama, Mississippi, and Arkansas—one of the many trips she's made, talking to young people and their parents about the drug epidemic. Well, I thought it might be fitting if she told you herself of what she's learned about the drug problem.

So, Nancy.

Mrs. Reagan. Thank you.

To everyone at home, I have to tell you that few things in my life have frightened me as much as the drug epidemic among our children. I wish I could tell you all the accounts I've heard—stories of families where lying replaces trust, hate replaces love; stories of children stealing from their mothers' purses; stories of parents not knowing about drugs, and then not believing that the children were on them, and finally not understanding that help was available. I've heard time and again of children with excellent grades, athletic promise, outgoing personalities, but who, because of drugs, became shells of their former selves.

I won't burden you with all the terrifying statistics, but there's one that's especially troubling. While the health of most Americans has been improving, young people between 15 and 24 have a higher death rate than 20 years ago. And alcohol and drugs are one reason for this.

But there are also some very positive signs on the prevention and treatment fronts, especially with the parents movement. People finally are facing up to drug abuse. They're banding together, and they're making real progress. And I just want to say a heartfelt "thank you" to all those people out there who are working so hard to get drug abuse under control.

The President. Thank you, Nancy.

Now, regarding the other report I mentioned. In the next few days we'll announce the administration's new strategy for the prevention of drug abuse and drug trafficking. This is a bold, confident plan, and I'm elated. For too long the people in Washington took the attitude that the drug problem was so large nothing could be done about it. Well, we don't accept this sit-on-your-hands kind of thinking. We've decided to do more than pay lip service to the problem, and we started where narcotics crime was the worst: south Florida.

This garden spot had turned into a battlefield for competing drugpushers who were terrorizing Florida's citizens. I established a task force under Vice President Bush's leadership to help the citizens of south Florida fight back. As part of a coordinated plan, we beefed up the number of judges, prosecutors, and law enforcement people. We used military radar and intelligence to detect drug traffickers, which, until we changed the law, could not be done. We increased efforts overseas to cut drugs off before they left other countries' borders.

Well, the results of our task force have been dramatic. The Vice President tells me drug-related arrests are up over 40 percent, the amount of marijuana seized is up about 80 percent, and the amount of cocaine seized has more than doubled. The important thing is we're hurting the traffickers. It's true that when we close off one place they can move somewhere else. But one thing is different now: We're going to be waiting for them. To paraphrase Joe Louis, they can run but they can't hide.

The strategy I just received will help us

duplicate the south Florida experience for the entire United States. We're undertaking a narcotics policy that might be termed "hot pursuit." We're not just going to let them go somewhere else; we're going to be on their tail.

Now, you probably wonder why I'm so optimistic. Well, for the first time, the actions of the different Government agencies and departments dealing with narcotics are being coordinated. There are 9 departments and 33 agencies of Government that have some responsibility in the drug area, but until now, the activities of these agencies were not being coordinated. Each was fighting its own separate battle against drugs. Now, for the very first time, the Federal Government is waging a planned, concerted campaign.

Previous administrations had drug strategies, but they didn't have the structure to carry them out. We now have that structure.

In addition to the enforcement element, our strategy will also focus on international cooperation, education, and prevention—which Nancy's very interested in—detoxification and treatment and research.

The mood toward drugs is changing in this country, and the momentum is with us. We're making no excuses for drugs—hard, soft, or otherwise. Drugs are bad, and we're going after them. As I've said before, we've taken down the surrender flag and run up the battle flag. And we're going to win the war on drugs.

Till next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, Md.

Remarks and a Question-and-Answer Session at a Meeting With Employees of AccuRay Corporation in Columbus, Ohio
October 4, 1982

The President. I want to say good afternoon to all of you AccuRay associates, and I want to say thanks for that delicious lunch. You know, if I kept that up every day the Oval Office—they'd have to make it round. [*Laughter*]

But may I just say after meeting with David Nelson here, and the conversation that we've had here at the table with my hosts at this table, how impressed I am. I understand now the meaning of your words, "The quality company with quality programs, quality products, and quality people." And I think that's what making America number one again is all about.

You know, we hear so much from defeatists in Washington who've given up on America. They say we can no longer compete, we've lost our leadership and productivity, and our best days are behind us. Well, let them come to Columbus and watch the power of this high-tech revolution unfold and see you leading America into her 21st century, proving our best days are still to come.

Being here, even in this short time, is like peeking into a part of America's future, and it looks mighty good. Here we see proof that knowledge is power. And we see something else that a favorite son of yours always talked about. He said that you win with people, and that every person is greater than he or she thinks they are. And that was from a winner. There's never been a bigger winner than Woody Hayes[1] and Ohio State.

But I believe with all my heart that the United States is determined to be a winner again. We need only to believe in ourselves and to remember that the true strength of this country lies in the minds, the motivation, and the faith of people like yourselves, not the bureaucracy in Washington, D.C. Now, there are a lot of well-intentioned people working in Washington and many

[1] *Head coach of the Ohio State University football team.*

fine people that are sincere and patriotic and all that, but there are just some areas where the Government has been trying to do things that the Government was never set up to do, and those things belong back here in your States and in your communities.

Now, I want to reserve time for you to—so that we can have a dialog before I get out of here, so I'm—but I do just want to make three quick points.

Less than 2 years ago we had inherited an economy that was on the brink of disaster. I don't think anyone can remember any other time in this country when we faced double-digit inflation, 21½-percent prime interest rate, and an unprecedented tax burden, all at the same time.

In 1980 inflation hit 18 percent at one point, and for 2 years it was back-to-back, double-digit inflation. Well, now since January 1st it's down to 5.1 for these 8 months so far. And if we take last month's rate—that's an average 5.1 across the 8 months—last month, it dropped again to the point that if it continues at that rate, it will be down around 3 percent in the future. The interest rates that were 21½—the prime rate is down to 13½, and in some places 13, because Bankers Trust just lowered it on their own a short time ago.

The grim results of high taxing and spending between 1976 and 1980 were a decline in the real wages and weekly earnings of all the working people of this country. And yet there were those who called the policies that led to that policies of fairness and compassion. Well, today progress against inflation and the first real tax cut for everyone in nearly 20 years have produced higher savings, higher real earnings for the first time in quite a long period of time, and more purchasing power. The average family today and the average level of income is about $1,500 better off than would have been if inflation had stayed where it was in the end of 1980.

Rebuilding prosperity, I think, is the true meaning of fairness and compassion. We would be doing better if the House leadership hadn't left to campaign without passing appropriations bills, holding the line on the '83 budget. October 1st was the first day in the new fiscal year. It was the third straight year that we have gone into the fiscal year without a budget. And they didn't pass the constitutional amendment to balance the budget. And I think it's about time we realize when there's only been one balanced budget in the last 22 years, that Congress needs some help, and that help is, put it in the Constitution where no one can violate it, and it has to be balanced.

The most important thing we can do is to bring inflation and interest rates down more, which, in turn, are the keys to creating more jobs. I believe the House leadership let the Nation down badly when it recessed for this campaign.

Now, there's one thing of good news, however. As you know, it's time we started increasing American exports and stopped exporting American jobs. And last Friday the Congress did finally pass a bill that we have supported to create jobs and increase exports—the Export Trading Company Act. This legislation will encourage the formation of trading companies to spur exports, a practice that's already being used with skill against us by our principal trading competitors.

And the best thing about the legislation is that it can create several hundred thousand permanent jobs in the private sector, and it won't cost the taxpayers a penny. We think that's a far better approach than the temporary make-work public jobs program that was stampeded through the House by the House leadership and which, if it ever gets to my desk, I'll veto.

Public works jobs programs have proven to be expensive failures. They were the things that for seven previous recessions the Government has turned to, and it was like a quick fix—stimulated the economy briefly but about 2 years later you fell into another recession. And every one of them was deeper and worse than the one before. Now they'd drag us right back with that kind of program into the swamp that we've been trying so hard to lift ourselves out of. So, I'm looking forward to signing this Export Trading Company legislation as soon as possible.

The choice before us is clear: Do we go back to the failed course of raising taxes on working families and giving government a

blank check to spend and borrow, which is what our critics so clearly intend to do, or do we keep our trust where it belongs—with you, the people, who are proving in this very plant the great things that a proud people can do if we'd just set you free? I know the way I feel. I just hope you do, too.

And now, I'll stop right here and—well, let me, before I stop, say something. Someone else has had—there he is, down the line there. Did Jim come here, too? Is Jim here? There—your Governor, Jim Rhodes, came in with us.

And sitting over here is a man who is of the greatest help to us in getting our economic recovery program into motion. I have valued his insight and his advice and his support and help. And he was on a committee in Congress, '78 and '79, when they tried to get pretty much of what we now have been able to accomplish by getting this bill through. But at that time against an administration and a majority, they couldn't get it done. But he was a leader in that, and he's still a leader—Bud Brown, who I hope is going to be the next Governor of the State of Ohio.

I realize I shouldn't be talking politics here now, but—[*laughter*]—having been a Governor for 8 years, you know we are trying with a thing called federalism. We're trying to get a plan in Washington that will turn back to the States the authority and the autonomy, and to the local communities, that has been seized by the Federal Government and let a lot of things be run closer to home, as I said earlier in my remarks. And if you're going to do that, then you need someone in the statehouse who's a good manager and who is attuned to that same thing and is going to see that those responsibilities are accepted. And we'll all be better off.

But now, let's have that dialog I mentioned, instead of continuing dialog—I understand there are seven microphones scattered out there with monitors that have them. So, find a microphone if you have a question, and that's how we can have a dialog. And I see a hand back there—there it is.

Financing for Exports

Q. My name is Jeff Tremaine, from the treasury department, and I'm very interested in your Export Trade——

The President. Wait a minute. Turn on his mike. [*Laughter*]

Q. Is it on?

The President. Try it again. See if it's on.

Q. Is it working?

The President. Yes. [*Laughter*]

Q. My name is Jeff Tremaine, from the finance area of our company, and I'm very interested in your Export Trading Company Act. We export about 53 percent of our products. My question is this. We recently have received word that the Export-Import Bank has discontinued their discount loan program which has helped us finance quite a number of our projects overseas. And I was curious as to whether or not there are any other programs in the works that might provide some type of financing for our customers on an export basis.

The President. I can't give you all the details on this bill that we're supporting, but I think that it might meet some of the problems. I know that the Export-Import Bank budget was reduced, as a number of others were. And yet we do want to encourage it, because that's the answer to the problems of this great productive country that we have—is export. And I think that you might find an answer in that new piece of legislation that's been passed. Now—and then I'll look this way.

Small Business

Q. I'm Dave Dobos, with the Americas Administrative Marketing Group. My question deals with job creation. In last week's press conference, you noted that unemployment has remained at unusually high levels since the midseventies, implying that part of the problem is not attributable to short-term business-cycle fluctuation. Accelerating the development of high technology industries, which our country seems to enjoy a leading edge in, may help to ease somewhat the long-term unemployment picture. Specifically, what policies and legislation is your administration pursuing to promote innovation and encourage related small business establishment and expansion? [*Laughter*]

The President. We have a very ambitious

program with regard to the—through the Small Business Administration—with encouraging small business, because I think—call it small or call it independent—that is the business force that creates about 80 percent of the new jobs that have to be created to keep up with our growth.

What I said in the press conference and with regard—there are other things that we're doing also. In fact, we have legislation before the Congress that will finance the training of about a million young people a year for jobs. And the difference between this and some of the programs that were canceled, some of the CETA programs, was that those programs—only 20 percent of the budget in those programs went to actual training. In the program that we're trying to push through the Congress and that will—70 percent of every dollar will go to actual training of the—and mainly young people that we think will probably take advantage of this. But the main thing that we're doing isn't—it doesn't show as spectacular as passing some program to artificially stimulate the economy or something.

What lost us the jobs to begin with, and they did—we have been losing or increasing unemployment steadily back for probably a decade and a half. But it became very pronounced in the years between—well, from '77 on through 1980 and then on into the depths of this recession.

What happened was—well, in the last 6 months of 1980 there was a great, volatile upswing in the money supply. It went up to such a peak that it was the highest or fastest increase in money supply in the history of our country. And with it the interest rates went right on up too, to 21½, because out in the money market they knew that you could not sustain this and that the next thing would be, based on experience, that they'd pull the string on the money supply and bring it way down to where we had tight money. And there wouldn't be enough money available to borrow, so the supply and demand—the interest rates would have to be high.

Now, they did pull it way down—they pulled the string on it—and in the first half of 1981 it was way down below even the Fed's own target line. And it hung on long enough that the unemployment—and this had started—I campaigned here in your own State when it was beginning back in '79 and '80. Those businesses that were dependent on lending—the automobile industry. They began to fall off, because people couldn't pay the interest rate. So, the layoffs began. And as the automobile companies ground down—they by themselves can start a recession—your steelplants began to close; glass companies, the rubber industry, and of course your dealers and salesmen—unemployment spread from there on out. But at the same time people couldn't buy homes. They couldn't afford the mortgage rates which had skyrocketed with those high interest rates.

Now, why the high interest rates in addition to the thing that I gave you about the money supply? You must remember that someone that's going to lend money has to get back not only a return on their money—an interest—but they also have to be sure that when that money comes back to them after—no matter how long it has been loaned—they must get back dollars of the same value, that have the same purchasing power as when they loaned them. So, interest rates are based on inflation plus a return on the money. And as inflation was up at double digit, they had to have an interest rate that covered the fact that every year the dollar was losing 12 or 13 cents more each year.

And so, this gives us as our target, how do we create jobs to get interest rates down. To get interest rates down we have to get inflation down, and this we have been doing. And this is what has been our number one target, is inflation. And as people have—as I gave the figures here—have more money to spend and begin to go into the marketplace and begin to buy again—and the housing industry has had an upturn; it's not up to where it should be, but it's been increasing for several months now—the start of new houses. As that begins, and more money in the market, then the companies out there—the production companies—are going to have to call back their laid-off employees and improve productivity to meet the new market demand.

And this is the program that we're follow-

ing, and we think it'll work. And we think it won't be a temporary stimulant like the quick fixes of the past. We think that it'll be a solid economic recovery with increased productivity and plenty of jobs.

One last point on that. It is true that the unemployment is not totally due to the recession. There has been, in the last decade or so, a vast increase in the percentage of adults in America who've gone into the job market. And so, we're going to find maybe that normal unemployment rate—which is based on, in normal times, about the people who are between jobs or have quit a job to try for another one, this sort of thing—may, instead of being the 4 percent that we used to talk about, it may be 6 or 6½ percent. But that would not be a reflection of a bad economy. That's just that we have the highest percentage—except for one year we were 2 percentage points higher than we are now—in the percentage of adults that are in the job market.

Way over there. Are you holding microphones? All right.

Busing

Q. Mr. President, my name is Howard Cothern, and I work in the inspection department. And I'd like to know if it's possible to get the busing issue on the State level to let the people decide whether they actually want busing or not?

The President. On busing. Well, as you know, there's wide feeling in the Congress about this, and there's been great controversy about it. I think that busing has failed of its purpose, and it hasn't been legislated; it's been taken over by the courts. And I believe today that what we're doing in the Justice Department is, where communities themselves are seeking to get a change or modification of the court order, the Justice Department, based on the merits, will aline itself with those communities to help them in that case.

And why I say "based on the merits" is, we're not going to hold still for some community just doing it because they don't like the policy of integration. What we want is those places where it's failed and where even the minority communities that it was supposed to benefit have turned against it because—well, as Mrs. Brown said—the woman who got the original decision in the Court—Mrs. Brown took this all the way to the Supreme Court because of her own memories of her childhood when she had to go miles past a school near her home simply because of segregation. And then she had a daughter of her own, and Mrs. Brown is opposed to busing in her own community, because she said now her daughter is bused miles past the school near their home—[*laughter*]—and she said that wasn't what she had in mind.

So, we're going to stick with protecting the constitutional rights and the gains that we've made in human rights and civil rights in this country. But we do think that, here again, more authority is needed at the local level with the constitutional protections that only the Federal Government can ensure.

Now, if there's—oh, one more, they say. Who are holding microphones and who—you have a question? All right.

Weapons Development

Q. Bob Tinker, industrial engineering department. Mr. President, recent reports indicate that the U.S.S.R. has a significant lead in the development and possible deployment of killer satellites. Could you please outline the United States strategy being adopted to counter this possible threat?

The President. Well, I think you can understand why I have to say I can't—[*laughter*]—specifically answer that question. [*Laughter*] I can tell you this: We are very much aware of the Russian development in that field, the experiments they've been conducting, and what they're trying to accomplish. And we aren't going to sit still and let them get away with it.

I know they said that was the last question. Are you all microphone holders? Are you a microphone holder or——

Q. No, I wanted to ask a question.

The President. Oh, we haven't had a lady's question here. May I take one more added——

Federal Assistance Programs

Q. I was going to ask you about the CETA program, but you already kind of

answered that in a way. So, I wanted to know: How do you expect to go about educating the public to the benefits of the government-funded manpower programs and how they do keep people off of the welfare rolls? For example, I received my education under a government-funded program, and I'm now a taxpayer and not a welfare recipient.

The President. And that's what the program is intended to do. Actually, in this thing—and we still have loan programs and grant programs to help students go through college, university, and so forth. And much of the talk that we somehow have withdrawn from that program is just not true. What we did find out was that a lot of people whose family income was such that they couldn't really justify the need of this help—we have aimed the programs at people of lower income families who must have that help if they're to get an education. And we have put some restraints and restrictions on people whose income level or family income level was higher.

We found—in the beginning we found, when the interest rates were so high, that there were families that took out the college loan and didn't need to. But because the interest rates were so high they then invested the college loan in Treasury notes that were paying high interest rates and were making a profit off the same government that loaned them the money to begin with by lending it back to the government at a higher interest rate. And at the same time they were sending their son or daughter to school. And we decided that that isn't what the taxpayers should be paying for.

But the program that we have for job training is based on something I called attention to one day—maybe like this—I don't know whether your State would be a good one to try this in or not. But every time I find myself in a city on a weekend I'm away—and I did this during the campaign—I look in the Sunday paper at the help-wanted ads. And you look at them in the great metropolitan centers, and you count as many as 65 pages of help-wanted ads. And you say, "Wait a minute, you know, 9.8 percent unemployment, but here are employers. They're advertising for people, and they can't get the jobs filled." But this didn't mean that there was anything phony about the unemployment.

And, believe me, my sympathy, having looked for my first job in 1932 in the midst of the Great Depression—only those here who are old enough to remember that know what a traumatic experience that was. I saw my father lose his job on a Christmas Eve in that depression. So, my sympathy goes out—I say that there's too much unemployment if there's even one person who wants a job and can't find it. But these newspaper ads convinced us that there are jobs waiting and people not trained for those jobs. And that's why we are supporting this job-training program.

The CETA program had too much of it going through government. And local governments were employing people in government jobs, which was kind of padding the payroll. And they were jobs without any future and weren't really training them for jobs out in the private sector—jobs such as you have here in this wonderful institution.

Well, now, I know I've got to quit but—and I'm sorry that I couldn't—I answered each one of them too long. I filibustered. [*Laughter*] But I do have a little surprise before I leave.

It gives me great pleasure to be able to honor you for your contributions in expanding exports. You know that exports mean jobs. And they are an important weapon in our battle against this nation's economic problems. Export expansion and a healthier economy will come from firms like yours—accepting the challenge to seek export markets.

So, I congratulate you for your outstanding record and leadership in Ohio. And here is something special in recognition: the President's "E Star" award for continued excellence in exporting. And I present this—as you know, you already have the "E" for excellency award. But the "E Star" award is for excellency above excellency.

President Nelson and to the AccuRay Associates, I'm very proud and happy to be able to present this in person.

Mr. Nelson. Thank you very much, Mr. President.

I've asked Patricia Tremaine, one of our export specialists, to join me in accepting

this award. I would like to briefly note that we continue to feel that more than half of the equipment produced at our factory complex here in Columbus will continue to go outside the United States. The reason, of course, in our belief is that we build a superior quality process control system for the worldwide marketplace. Half of our people are located here in Columbus. The other half represent another very important aspect, and that is a 900-man worldwide sales and service organization to market and service our products throughout the world.

Therefore, I wish today, for both Pat and myself, to accept on behalf of the total 1,850 associates worldwide the President's "E Star" award.

It's now my pleasure to extend an invitation for a brief tour of our factory. And I would like to ask all associates to join with me in expressing our pleasure and sincere honor and appreciation for you personally coming and being with us today.

Thank you again.

Note: The President spoke at 1:24 p.m. in the company's cafeteria.

Following his remarks, the President toured several areas of the company, which is a manufacturer of process automation computers and management information systems.

Remarks in Columbus to Members of Ohio Veterans Organizations
October 4, 1982

Mr. Wagonseller, Father, Governor Jim Rhodes, the Members of the Congress who are here, another Governor—I hope—and you ladies and gentlemen:

I can't tell you—well, incidentally, first of all, I'd better explain. To those who might not have known, "break a leg" in the theater means—that's what they say before opening night. And it's supposed to mean, "Good luck." [*Laughter*] But I can't tell you how refreshing it is to get out of Washington and back here to the heartland of America.

As some of you know, we've had our headaches lately. The big spenders in the Congress are at it again—present company not included in those. [*Laughter*] They've been inventing their miracle cures for which there are no known diseases. [*Laughter*]

But it's good to be back on the campaign trail, even if it does mean the silly season is upon us once again. In solid, hard-working Ohio, this year you can make a real difference in government. There are two classic confrontations between the past and the future, between candidates who reject the policies of tax and tax and spend and spend and candidates who endorse them, and between candidates who stand for growth and opportunity and candidates who want more government and more spending. But this is a bipartisan meeting, so I'm not going to tell you how proud I am of Congressman Bud Brown and what an invaluable ally he's been in the fight against big government in Washington. And I'm certainly not going to tell you how he's won the respect of virtually everyone he's dealt with there, or of my confidence that he'll do a great job in any position the people of Ohio elect him to.

And that goes for Paul Pfeifer, too. You already know he'd make a great Senator. Of course, your own Congressman from this district, Chalmers Wylie—I don't have to tell you about him; you know. But, as I say, this isn't a political rally, so I won't say any of those things. [*Laughter*]

Two years ago I made a good many campaign stops in this State. The reasons for that aren't hard to figure out: Ohio isn't just one of the most important States in the Union; it's also a measure of America, a barometer of our people. As I traveled through Ohio—States like Ohio—one thing became very clear. Something was stirring in America, a new political consensus was emerging—a consensus that rejected gov-

ernment intrusion and expansion into areas where it was neither competent nor needed; but a consensus that was also critical of government's failure to perform its legitimate and traditional duties—like maintaining our national security and keeping our streets safe.

I think that in 1980 we saw the beginning of an historical tide. Something has been going on in America—a change of mind and heart that goes beyond one election or even one administration. And just as I think that some of the political pundits couldn't see this tide in 1980, I think it's possible they're not seeing it now.

The trouble is that too many of the seers and prophets in Washington spend their time talking to each other and not to the American people. If a career in politics teaches one truth it teaches this: Over the long run it's the people who know, who understand, and who decide.

Despite the hysterical cries of the opposition, the people of Ohio understand the economic mess this administration inherited when we took office. I hate to dredge up unpleasant memories, but we'd had inflation in double digits for 2 years in a row—the first time in 60 years that had happened. Interest rates had shot as high as 21½ percent. The rate of growth in the gross national product had gone down for the third year in a row. And the money supply had increased at a 13-percent annual rate in the last half of 1980. That was the fastest increase in our history. Unemployment was already a serious problem; business failures were increasing.

That recession worsened in 1981, a recession that was a legacy from all the years of boom and bust, of wild spending and erratic fiscal policy, of tax and tax and spend and spend, and, lest we forget, of deliberate, planned inflation. They called it—years ago when they started it—the new economics, and they said it was necessary to maintain prosperity. Well, what a job we had before us 20 months ago—to try and control the spending juggernaut.

In the previous 10 years Federal spending had tripled; in the last 5 years, Federal taxes had doubled. The budget for the Department of Health and Human Services, roughly $250 billion, became the third largest budget in the world. It came just after the entire national budget of the United States and of the Soviet Union. The Federal debt reached a trillion dollars, and the interest payments on that debt alone were in the range of a hundred billion dollars, which was just about as much as the entire Federal budget 20 years ago.

Automatic spending programs had gone completely out of control. Medicare and Medicaid payments had gone up 400 percent in those 10 years, and the food stamp program had grown in 16 years from just $65 million to 11.3 billion. That's an increase of 16,000 percent.

Now, maybe the people of Ohio don't have all those statistics at their fingertips, but like most Americans they know what got us into this economic mess, what caused inflation and unemployment: Government is too big, and it spends too much money.

Now, that's why the American people supported us when we moved to cut the growth in spending, when we reduced taxes for individual Americans and indexed them to the rate of inflation, when we cut through the thicket of Federal regulations, when we mobilized our Inspectors General in a war on waste and fraud in the Government. They found in just one 6-month period thousands of people still receiving checks from the Federal Government, and they'd been dead for an average of 7 years.

In 20 months we've managed to slow three decades of momentum toward bigger and bigger government. Even in Washington, it's beginning to sink in: You can't drink yourself sober or spend yourself rich—you can't prime the pump without pumping the prime. Our economic recovery program has been in effect for less than a year, but it's already beginning to work.

Inflation, which a little more than a year ago was the number one economic concern of most Americans, is now down from 12.4 percent in 1980 to 5.1 percent so far this year, the 8 months since last January. And just last month it had dropped down to a rate, that if it keeps at that particular rate, it would be around 3 percent. And, oh, yes, we've brought individual Americans the first real tax cut they've had in nearly 20 years.

The American people know the truth, that we've done something that hasn't been done in American politics for a very long time. We said we would cut spending, and we cut spending. We said we would ease the tax burden, and with the help of these gentlemen who are with me today, we eased the tax burden. We said we would rebuild our national defenses, and we're rebuilding them. We said we would be firm with totalitarian powers, and we've been firm. We said these things, and we meant them. We made our promises, and we kept them.

Now let me speak for a minute about one of the things I just mentioned. I think all of you here today—and especially those of you who served in our Armed Forces—will agree: A President's first duty is protecting the peace by guarding us from foreign attack and ensuring the safety of our country and the future of our children.

In the last 20 years, as Government got into areas where it didn't belong, it failed to meet one of its most important and legitimate responsibilities. An almost complete reversal took place in fiscal priorities. In 1960 we were devoting 49 percent of the budget to national defense, while 28 percent went to social spending. By 1980 that proportion had completely reversed itself, with 52 percent going to social spending and less than 24 percent going to defense spending. I think you all realize the consequences.

Remember those stories in 1980 about our military, about the airplanes that couldn't fly for lack of spare parts, about ships that couldn't leave port, about a rapid deployment force that was neither rapid, deployable, nor much of a force? Well, we've begun to change all that. We've improved our strategic forces, toughened our conventional forces, and—one thing that's made me particularly happy—more and more young Americans are proud again to wear their country's uniform. The organized reserves, which had almost disappeared, are getting back to strength, and ROTC in our schools and colleges is again flourishing.

I know that many of you here today have served your country in uniform and that you continue to serve through the tremendous work done by your individual veterans groups. On behalf of all America, I thank you for this, and I hope you never lose that pride in country. I know what it is to be accused of being patriotic—overly patriotic. But, you know, the best answer was that that was given by George M. Cohan, that great performer on Broadway, when he was asked why there was so much flag-waving in his plays. And George said, "Do you know a better flag to wave?"

There's something else, too. As we've rebuilt America's military and strategic strength, we've also adopted a foreign policy that speaks openly and candidly about the failures of totalitarianism, that advocates the moral superiority of Western ideals like personal freedom and representative government—a foreign policy that calls for a global crusade for personal freedom and representative government. It's this combination of strategic strength and rhetorical candor that for the first time in years has taken American foreign policy off the defensive. Most important, it has strengthened the chances for lasting peace by providing a credible basis for important new peace initiatives, especially in the arms control area and in regions like the Middle East. These vital initiatives for peace now have a far better chance of success than they did in that climate of doubt about American leadership that existed only a few years ago.

But none of this would have been possible without the new political consensus that I've talked about—without the support of the American people. I know during the campaign sometimes in question-and-answer sessions before groups like this, someone would say, "Well, about balancing the budget and at the same time rebuilding our defenses—what if you find that you have to make a choice between the two?" And I said without hesitation then—and I must say, received great applause from the American people for saying it—then I would have to come down on rebuilding our national defenses—come down on that side. I hope I said that wrong to begin with. I hope I made that clear—but come down on the side of national security. That's our first responsibility.

But our initatives in other areas as well—our attempts to return prayer to our schools, to get tuition tax credits for the parents of independent school children, to protect the unborn, to help make our streets and homes safe again by tightening up on bail and parole—these are not just separate initiatives. They're all part of the same consensus—that see change in American politics, that historical tide that is sweeping America.

For the truth is that Americans must choose between two drastically different points of view. One puts its faith in the pipedreamers and margin-scribblers in Washington; the other believes in the collective wisdom of the people and their commitment to the American dream. One says tax and tax, spend and spend, and the other says have faith in the common sense of the people.

The other side believes the solutions to our nation's problems lie in the psychiatrist's notes or in the social worker's file or in the bureaucrat's budget. We believe in the workingman's toil, the businessman's enterprise, and the clergyman's counsel. The other side speaks of limitations and redistribution. We want growth and opportunity. The other side wants us to lower our expectations. Well, we have a vision of making America great again. The other side speaks of national malaise, a sickness. We offer hope.

That's what the political choices boil down to this election year—a choice between basic values, between two differing political and social philosophies; between government as master or government as servant; between a vision of America strong and secure and able to stand forthrightly for human freedom, or an America that is weak and confused and reluctant to speak for the downtrodden.

It's easy to get confused these days with the chorus of charge and countercharge we're subjected to. Little more than a year ago the people in overwhelming numbers—all of you said that double-digit inflation was the number one problem to be solved. Well, today, understandably, unemployment is number one. For one thing, we've drastically reduced the inflation rate as I've said. But even so, all of us deeply feel the tragedy to our neighbor when layoff comes. And those of us who experienced the Great Depression of the thirties have a particular horror of the very word "unemployment."

But to get back to the confusion that I mentioned, there are various reasons given by a variety of people as to what's the cause for the present unemployment. Well, in my own view, that cause is one and one only: inflation. And that's why inflation must be the main target, so that we can reduce unemployment.

How do I justify that assumption? Well, in the last few years, between 1976 and 1980 alone, inflation went from 4.8 percent to 18 percent at one point in 1980, and for the 2 years of '79 and '80 it stayed in double digits. Interest rates had to keep pace. A lender must not only get a return on the money loaned; the lender must get enough interest to cover the loss in purchasing power of each dollar loaned. So, between '76 and '80, the prime interest rate went from less than 7 percent to 21½ percent.

Auto sales fell off as the interest rate on car payments went up. Layoffs in the auto plants began, and the sickness spread to associate industries such as steel, rubber, glass, et cetera. In housing, there was the same story. We brought inflation down, and interest rates are following. We intend to stay on this course.

James Madison. James Madison had a favorite quote he often repeated: "All great reforms, great movements, come from the bottom and not the top. Wherever there is a wrong, point it out to all the world, and you can trust the people to fight it." And a Frechman who came here, the philosopher Alexis de Tocqueville, put it another way. He said, "There is an amazing strength in the expression of the will of people, and when it declares itself, even the imagination of those who wish to contest it is overawed."

Well, this country was born of an ancient dream and then was nourished by a new wisdom. The dream envisioned a place on this Earth where people of all classes and kinds could live together in peace and freedom. The wisdom held that the final resting place of power was in the hands not of the government but of the people.

You know, I've often spoken to young people about our Constitution. And I haven't read all the constitutions in the world, but I've read some of them. And in those I've read I've found a great difference that's so simple we almost overlook it, and yet it tells the whole story. In all those other constitutions, they say, "We the government allow the people the following benefits and freedoms and so forth." And our Constitution says, "We the people will allow the government to do these specific things and no others."

In the last 20 months in Washington, we've tried to return to these honored ways and reassert the basic values of the American people. Because of that sea change and because we're part of a tide, we can look again to a future filled with hope.

America is on her feet again. The days of national malaise are over, and an era of national renewal is upon us. There's optimism and energy again in this land. And, as your State motto puts it, "With God's help, all is possible." Yes, with His help, and yours—for all of us, for our children and for this much loved country of ours—there are great days ahead.

Now, I'd expected that I was going to stop right there, but just grant me a moment more.

Coming in here, I passed a lot of your fellow Ohioans out there on the street. And some were generously applauding and waving, but there were some who were demonstrating. They were demonstrating in behalf of a movement that has swept across our country that I think is inspired by, not the sincere, honest people who want peace, but by some who want the weakening of America, and so are manipulating many honest and sincere people.

It is the nuclear freeze movement and the peace movement. Well, I, too, want a nuclear freeze after we have been able to negotiate the Soviet Union into a reduction on both sides of all kinds of weapons—and then have a freeze when we're equal and not freeze them now in a superiority that would bring closer the chance of nuclear war. [*Applause*] Thank you very much. Thank you.

You know, when I see them I wonder why they haven't realized this, how they haven't realized, for example, that a nuclear freeze would cancel the development of the B-1 bomber. Why is that important? It's important because that would leave us with a bomber that is older than the men who are flying it, that is obsolete, and that could not possibly offer the deterrent that we need to maintain peace in the world.

So, why are we rebuilding our defenses? Not because we want a war. All of you who wore the uniform, all of us who've been in wars, all of us know the horror of it, and we want to see no more. But we also know that we never got in a war because we were too strong. We got in wars because someone on the other side didn't think we had the will or the strength to defend our freedoms and our country and our rights. They had to learn the hard way.

So, what is really back of our great attempt to refurbish our military is to stengthen three delegations of Americans, two of which are in Geneva—one, I believe, is still in Switzerland. One delegation is negotiating a reduction to zero, if possible, of the intermediate-range nuclear weapons in Europe on both sides. The other is seeking to reduce to equality the strategic nuclear weapons on both sides so that there is a deterrent that can prevent war. And the third is seeking to reduce the conventional weapons. What position would our negotiators be in if those who were demonstrating out there have their way and those sitting on the opposite side of the table from our people look across and say, "Why should we give up anything? The Americans are giving it up without trading for anything."

They're stengthened by the knowledge on the other side of the table that this country will do whatever it has to do to maintain its security, safety, and peace in the world.

Thank you all, and God bless you.

Note: The President spoke at 2:25 p.m. in the Regency Ballroom at the Hyatt Regency Hotel. He was introduced by James M. Wagonseller, past national commander of the American Legion.

Those attending the meeting were members of the American Legion, Veterans of Foreign Wars, Disabled American Veterans, Vietnam Veterans, and AMVETS.

Remarks and a Question-and-Answer Session at a Fundraising Reception in Columbus, Ohio, for Gubernatorial Candidate Bud Brown

October 4, 1982

The President. You know, if you don't mind, I just have to mention first—I thank you all for this. And to all of the distinguished officeholders and candidates for office who are here on the platform with me—I have to mention those young people who are here today.

You know, I can remember a time when I'd go to a Republican fundraiser and come home and tell Nancy that it looked like the only young people there couldn't join anything else. [*Laughter*] Not any more. All over the country—and I said in 1980 in the campaign, that was what that campaign was about. It's what this election is about: the America that we're going to turn over to those young people.

You don't mind if I call him Bud, do you, when—[*laughter*]—know him too well here. Congressman Brown—Bud—when he was talking here about returning authority and autonomy to the States, to the local communities and so forth, I wonder how many of us realize that one of the most unique things about America that I believe is more responsible for our freedom than anything else is the fact that in this country we were established to be a federation of sovereign States. We were not set up to have 50 administrative districts of the Federal Government. And that's what we've been in danger of losing.

Now, I was just over speaking to the veterans group, explaining to them how good it was to be out of Washington and back into the heartland of America. And, you know, General Sherman once said, "If forced to choose between the penitentiary and the White House for 4 years, I would say the penitentiary, thank you." [*Laughter*] Now, I wouldn't go as far as to say that—[*laughter*]—but I will admit there have been a few days there when I've sort of figured that it fit his description of war—[*laughter*]—when General Sherman said, "War is . . ." and you know the rest.

Actually, though, with people like Bud Brown in the Congress, my job was a whole lot easier than General Sherman could have imagined, so I think you can understand why I have some mixed feelings about letting go—Bud Brown, not Sherman. [*Laughter*] But I'm willing to make the sacrifice. You can have Bud Brown as your Governor as long as you promise me solid Republican congressional delegations from Ohio.

You mean I've left your district, Chalmers?

Representative Wylie. Not yet, not yet.

The President. Not yet.

Representative Wylie. You're still on the 5th beat.

The President. All right. But, believe me, we'll need the help.

The other day in the State Dining Room I pointed out the sea change that has occurred in American politics, how everyone these days seems concerned about too many deficits and too much taxation and spending. We've made real progress, but it's a fragile progress because of those left in Congress who still believe in the tax and tax and spend and spend policies that got us into this present situation.

That's why I challenged Tip O'Neill the day I asked he and the liberal leadership of the other party to promise the American people they wouldn't try to repeal the reforms that we've passed in the last 2 years—those in regulations, in spending, and the tax program—the tax cuts. And, you know, they've never answered the question yet. They just finessed that and went on to something else.

The question you should ask of those who solicit your vote is where they stand on the issues of taxing and spending. Will they promise not to try and repeal the income tax cuts that we won for the American people and the historic reform and income tax indexing?

Many people don't quite understand at first what that indexing provision means. It

might be the biggest part of all the tax cuts—unless we win the battle on inflation, and then it won't matter that much. But for years the Federal Government has been making a profit on inflation, because in our graduated income tax, people who got a cost-of-living raise didn't improve them one bit—just let them—kept even with inflation. But it moved them into a higher tax bracket, and that's why for years real personal income in America has been going down. And for the last several months, it's been going up.

Will they support further reductions in government spending—more authority and autonomy, as we've mentioned, for States and local governments? In Ohio this year, you can make a real difference in government, because there are two classic confrontations between the past and the future; between candidates who reject the policies of tax and tax, spend and spend—as these candidates here do—and the candidates who endorse them; between candidates who stand for growth and opportunity and candidates who want more government and more spending.

Right now, Paul Pfeifer is waging a strong challenge against one of the Senate's most blatant big spenders. The incumbent represents a political point of view that is out of step with the people of Ohio. Mistaking the incumbent Senator's voting record for the views of the people of Ohio is like mistaking Woody Hayes for Woody Allen. [*Laughter*] It's time you had a Senator who represented the commonsense, conservative voters of Ohio and not the liberal big spenders in Washington.

I need Paul Pfeifer in the Senate as well as John Kasich in the House of Representatives. And I can give you a single, good reason why he should be Congressman Kasich, because I just learned that his opponent is on record already as wanting to cancel the B-1 bomber. This is a part of the whole movement that has seen some demonstrators out on the streets wherever we go today. It doesn't mean that they're for peace and we're for war. It means that they've been manipulated by some people who know what they're doing exactly. They're sincere, I think—millions of them—very sincere and honest in their desire for peace as we all are.

But today we have three delegations in Europe negotiating with three Soviet delegations—one with regard to the medium-range nuclear missiles in Europe, one with regard to the strategic nuclear missiles that threaten us particularly in the world, and one that is trying to reduce the armaments, the conventional arms and weapons. And why are we so intent on this military or this defense buildup which had been allowed to—our defenses to deteriorate so? It's because they need back of them on their side of the table—they need the fellows on the other side of the table to have the knowledge that unless they join us in reducing those terrible weapons and the threat of war, they're going to have to face a United States that will do whatever is necessary to ensure our safety and the peace of the world. They need a deterrence.

And Mr. Kasich's opponent didn't add when he came out against the B-1 bomber that it would cost 7,000 jobs here in the State of Ohio, but I think that's a consideration, also.

You know, Bud is a bright and a hard worker. He's a man of tested judgment and experience and character. The country needs him, and you in Ohio can help the country out. But I want to say, also, that he's been an invaluable ally in the fight against big government in Washington. As a matter of fact, he started in committee in '78 and '79, working within the committee in which he served, to bring about the kind of economic reform that we now have started to install, beginning last year in 1981—that time up against a total Democratic majority in both Houses and a Democratic administration, they couldn't get it passed. But now the people have spoken, and it's in effect. He's won the respect, as I say, of virtually everyone who's dealt with him there.

In this campaign, he and his running-mate, Jim Betts, have one agenda—bringing jobs and economic opportunity back to Ohio. And I know that from my own conversations with him. He'll make a great Governor. They'll make a great Governor and a great lieutenant governor, and I thank you for supporting them. And I know

they'll go all the way, and I know the importance because of that federalism that he spoke about—that trying to get more authority back here, how much we need someone at this end ready to receive the resources and the programs that should properly be administered here at the State level.

When he spoke of regulations—I used to use a city in your State as an example of what regulations were doing long before I ever got the job, and that was a hospital that was built in part with Federal funds. And because it was built in part with Federal funds, the Federal Government reserved the right to regulate. So, one day in came an inspector from OSHA [Occupational Safety and Health Administration] and said that the plastic bags that were put—or that they must put plastic bags in the wastebaskets so that employees would not be endangered in handling the waste or contaminated in handling the waste. So, they put them in and no sooner had them in than another Washington inspector arrived.

He was from HEW, as it was called then, not HHS. And he was protesting that they had to take the bags out, because if someone threw a cigarette in there the fumes from the burning plastics would be injurious to the patients. And to this day, I don't know whether we've got it straightened out yet or not. [*Laughter*] But all the hospital knew was to have somebody at the door to see which one was coming—"Put the bags in; no, take them out!" [*Laughter*]

I'm grateful to be here with these wonderful candidates and with all of you. All across the country wherever I've gone, I've seen—we have presented this country this time around the finest candidates I think any party has ever fielded in this country. They deserve the people's support. I know all of you'll do your darndest in the crucial days between now and November.

And now I'm going to quit talking, because I'd rather have a dialog. And I always feel—don't often get enough chances for a visit—I often feel that you must have sometime or other said, "If I had a chance, I'd ask him . . . ." Well, ask me, and we'll have a little dialog.

You mean no one has a question? I've got another speech in the other pocket. [*Laughter*]

Small Business

Q. Let me ask you, for small business, what—[*inaudible*]?

The President. What's that?

Q. For small business in Ohio, do you see it improving—I mean, you know, with a new Governor?

The President. Do I see it improving with the new Governor in Ohio? Yes, and I see it improving. And I realize this is taking a great chance. We are in a deep recession. I believe that the course that we're on, which is aimed at reducing inflation—and which, as he said, we have it down. As a matter of fact, for the first 8 months of this year it has averaged 5.1 percent. And last month it was down at a rate that if that continues it'll be down to around 3 percent.

Now, that inflation rate, which was double digit, 12.4 when we started, is what has kept the interest rates high. Lenders have to get back the lost value of their money while it is out on loan in addition to a return. And it is the high interest rates in what they did to the automobile industry and what they did to the housing industry that has caused the great increase in unemployment. And that, in turn, has caused the great deficits.

I had to laugh the other day when Jim Wright, the majority leader in the House, went on television and said, well, after they had voted down the balanced budget amendment—and don't ever let them forget that they voted against a constitutional amendment to keep the Federal Government balanced. Forty States have it. This is a necessity if we're going to get control of spending. But he had the chutzpah to go on television and say, well, I'm a fine one to ask for such an amendment when I'm presiding over the biggest deficit in history. Yes. But how'd those deficits come about?

I didn't invent them. Every time you add one percentage point to inflation you add $25 billion to the deficit in lost revenue and outgoing benefits to the unemployed. And so it's gone up 2 or 3 percent since we've been there—no, a couple of percent since we've been there. Well, that's another $50

billion added to the deficit.

The way to cure that, the way to cure unemployment, is to get the interest rates down, and you can't do that until you finish getting inflation down. And we're going to keep on working at that.

Representative Brown. [*Inaudible*]—small business.

The President. And, yes, you asked about small business. That, in particular—our tax program—we knew definitely in aiming the tax cuts at individuals that the bulk of small business does not pay corporate tax; they pay personal income tax. We also were thinking of small business with regard to the inheritance tax. So many family businesses and family farms have to go out of business to pay the inheritance tax if death comes. Well, in the first place now, a spouse doesn't have to pay an inheritance tax—a widow or a widower—and we have reduced the tax by increasing sizably the exemption from that. And there are further reductions coming in the near future; it's in installments.

That is one of the things for small business that we have to preserve. And small business provides 80 percent of the new jobs that we must have in this country, not big business. And we've done some other things through the Small Business Administration and all.

Q. [*Inaudible*]

The President. I'm sure they will, because I'm going to keep squawking. [*Laughter*]

Representative Brown. [*Inaudible*]—introduced again next year.

The President. Yes. Bud says it's going to be introduced again next year, so probably in the spring we'll be battling on that.

Representative Wylie. Mr. President, we have time for one more question, I'm told by your keepers, your Secret Service men. So——

The President. There's a gentleman that I'd already recognized.

Representative Wylie. We might try a lady if we've got a lady in——

The President. Do we have a lady with a question? What?

Advice for Young People

Q. [*Inaudible*]—what advice do you have for the young people going out in the world today?

The President. What advice for the young people going out in the world today?

Q. Vote Republican. [*Laughter*]

The President. Some person down here in front said, "Vote Republican." But, of course—let me just take a second here, and then I will—because I haven't recognized someone over here. Let me just take a second, if I could.

There are so many things—and it's so easy for someone my age to start pontificating to young people when they open themselves up with a question like that. But, of course, you get all the training that you can. And then, I think, make up your mind, if it's in regard to a career, where you think that you would be happiest and be able to contribute the most and receive the most personal reward, I mean, in fulfillment in that job. And then I'll give you the best advice that I was ever given.

When a man back in the depression days of 1932—and I was a college graduate then and back at my old college job of lifeguarding for the summer, knowing I'd have to face the fall and get out into the world. And in 1932, there weren't any jobs anyplace. And there was a man who had fared well in the depression and was able to tell me that if I could tell him what I wanted to do, what line of work, if he had any connections there, he would speak for me and see if I couldn't get an opportunity in there.

Well, that was the first time, believe it or not, in this modern age, and that was the first time I had ever really been pinned down to having to say what I wanted to do. And there was a rather young industry at the time called radio. And I kind of made my way through college on the football field, and finally I went to him and I said, "I think I'd like some form of the entertainment business and I think radio. And I'd like to be a sports announcer."

Well, he said, "I don't have any connections there. I can't help you." But he said, "Maybe that's best, because I'll give you this advice." He said, "Even in this depression, there are people who know they've got to take young people in and bring them up in their business and their industry to have people coming along." "So," he said,

"you start knocking on doors of radio stations." He said, "Just tell them you want a job, any job, to get into that industry—that you believe in the industry, believe you can make it in that industry, and you'll take any job there is. And then take your chances on getting up to where you want to be from there." And, you know, it worked. [*Laughter*]

Dais guest. And now you're fully employed.

The President. I know. I knocked on a lot of radio station doors. And finally one day I knocked on one and happened to mention for the first time sports announcing as being a future ambition. And this elderly gentleman, one of the nicest men I've ever met, all bothered by arthritis, said to me, "What do you know about football?" I said, "Played it for 8 years." He said, "Could you tell me about a game if I were listening and make me see it?" And I said, "I think so." And he took me in his studio, put me in front of a microphone and said, "When that red light goes on up there, you start broadcasting an imaginary football game. I'll be in another room listening." And I did.

And the only thing I really remember about that broadcast was—I naturally picked a game from the previous season that I'd played in, and I was the running guard who had to come out and led the interference on a certain off-tackle play. And with 2 minutes to go, trailing by 1 point, we went 65 yards off-tackle for the touchdown, and I missed the key man in the secondary that I was supposed to block. And I've never known how we made the touchdown with me missing the block. But on the rebroadcast—first instant replay—I threw a block like you've never seen. [*Laughter*]

1984 Presidential Campaign

Q. [*Inaudible*]

The President. What's that?

Q. [*Inaudible*]—again in '84?

The President. I have said that that's something that the people tell you, whether you should or not. And I appreciate your reaction just now. If it's the same in '84, well, I'll certainly take that into consideration.

Thank you very much.

Representative Wylie. They have a song for you, Mr. President. It is called "Staying the Course."

[*At this point, a small group sang the song.*]

The President. Thank you very much. I am going to heed that advice. We're staying the course.

Note: The President spoke at 3:36 p.m. in the Union Room at the Hyatt Regency Hotel. Prior to his remarks, he had attended a reception for major contributors to the Bud Brown for Governor campaign.

Following his appearance at the fundraising reception, the President returned to Washington, D.C.

Appointment of Ralph C. Bledsoe as a Special Assistant to the President

October 5, 1982

The President today appointed Ralph C. Bledsoe as Special Assistant to the President and Executive Secretary to the newly formed Cabinet Council on Management and Administration. Dr. Bledsoe, who is currently Associate Director for the White House Office of Planning and Evaluation, will also serve as Assistant Director of the Office of Policy Development for Management and Administration.

Dr. Bledsoe previously served as a manager and executive with the System Development Corp., a faculty member and program director with the University of Southern California School of Public Administration, a professor of Federal management at the Federal Executive Institute, and a member of the Federal Government's

Senior Executive Service. Dr. Bledsoe also served in the United States Air Force.

Dr. Bledsoe earned his M.A. and Ph. D. degrees in public administration from the University of Southern California. He received his B.A. degree from Texas A. & M. College.

The Cabinet Council on Management and Administration will formulate governmentwide policies pertaining to executive branch management, administrative, and personnel issues, and will exercise control and supervision over the Reform 88 task force, a long-term program to improve the management and administrative systems of the Federal Government and monitor implementation of the recommendations of the President's Private Sector Survey on Cost Control.

Proclamation 4981—National Schoolbus Safety Week of 1982
October 5, 1982

By the President of the United States of America

A Proclamation

Schoolbus transportation serves a very special and important segment of this Nation—our children. More than twenty-two million youngsters use schoolbuses to get to school.

When we consider the millions of young people who are transported and the millions of trips schoolbuses make each year, we can take great pride in our safety record. Nevertheless, we must reaffirm our commitment to providing the safest possible transportation for our children. They are our most important resource, and their safe transport is and deserves to be one of our highest priorities.

Now, Therefore, I, Ronald Reagan, President of the United States of America, in accordance with House Joint Resolution 486, do hereby proclaim the week of October 3, 1982, through October 9, 1982, as National Schoolbus Safety Week of 1982. I call upon the people of the United States to observe this day with appropriate activities in their homes, schools, and communities.

In Witness Whereof, I have hereunto set my hand this 5th day of Oct., in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 11:25 a.m., October 6, 1982*]

Proclamation 4982—Dr. Robert H. Goddard Day
October 5, 1982

By the President of the United States of America

A Proclamation

Robert H. Goddard, born one hundred years ago, is the father of the Space Age. Due to his pioneering vision of space travel and his tireless research efforts in developing the world's first liquid-fuel rocket, the United States has achieved a preeminent position in space. Dr. Goddard was a trailblazer to the stars.

Dr. Goddard was born on October 5, 1882, in Worcester, Massachusetts. He was a student and later a member of the faculty at Clark University for 29 years. The Smithsonian Institution first gave him a small grant to assist his research, and the Guggenheim family and Foundation subsequently became his strong financial backers. Dr.

Goddard was the first to explore the practicality of using rocket power to reach high altitudes.

During his lifetime, Dr. Goddard was often ignored or ridiculed for his imagination, including the concept of a rocket going to the moon. Yet he was not deterred. And today, he is universally recognized as the world's foremost pioneer in space rocketry and in predicting man's role in space.

Rewards and recognition came posthumously to Dr. Goddard. On September 16, 1959, Congress authorized a gold medal in his honor. A major space science laboratory, NASA's Goddard Space Flight Center, was also established in 1959. One hundred years after his birth, it is appropriate to commemorate, with gratitude, Dr. Robert Goddard's brilliant contributions in laying the foundation for America's entry into the Space Age.

As a mark of respect to this great Space Pioneer, the father of modern rocketry, the Congress of the United States by House Joint Resolution 568 has proclaimed October 5, 1982, as "Dr. Robert H. Goddard Day."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim that Tuesday, October 5, 1982, is Dr. Robert H. Goddard Day, and I direct the appropriate government officials to display the flag of the United States on all government buildings that day.

I also invite the people of the United States to honor the memory of Dr. Goddard on that day by holding appropriate exercises and ceremonies in suitable places throughout the land.

In Witness Whereof, I have hereunto set my hand this 5th. day of Oct, in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 11:26 a.m., October 6, 1982*]

Proclamation 4983—World Food Day, 1982
October 5, 1982

By the President of the United States of America

A Proclamation

Food is basic to life. Achieving and maintaining an adequate, reliable food supply is a high priority for every nation.

From the first, the United States has supported the principle that a strong nation requires a strong agricultural foundation. Out of our westward pioneer movement emerged a sound system of agriculture firmly based on the concepts of private enterprise and the primacy of the independent family farm. The result has been a food production system well able to feed our own population while meeting the needs of others throughout the world.

Not all nations are blessed with America's agricultural endowments, nor have many nations adopted the incentives that are critical to fueling such a successful agriculture. The Food and Agriculture Organization of the United Nations estimates that as many as 400 to 500 million people suffer from poverty-induced malnutrition, particularly in the Third World.

The people of the United States have long been committed to sharing this country's agricultural bounty and technology with other nations in times of need. We have provided more than $30 billion in food aid, plus an additional $10 billion for shipping costs, since the "Food-for-Peace" program was initiated 28 years ago. We have also made available thousands of agricultural experts, a diversity of training programs, and benefits of our intensive agricultural research. The United States is also doing its part to improve world food security by maintaining high levels of production and reserve stocks and by making agri-

cultural products available in the world market so that other countries can meet their food requirements.

We have not been alone in focusing attention on the problems of hunger in the world. More than 100 countries participated in observing the first World Food Day last year. We particularly salute the Food and Agriculture Organization which, on World Food Day this year, celebrates 37 years of dedication to the elimination of hunger and malnutrition.

Let us continue our mutual efforts to define the causes of world food problems and vigorously pursue their solutions. Toward that end, the Congress of the United States has again responded with a Joint Resolution designating October 16, 1982, as World Food Day.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim October 16, 1982, "World Food Day" and do call upon the people of the United States to observe this day with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this 5th day of Oct., in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 11:27 a.m., October 6, 1982*]

Note: The text of the proclamation was released by the Office of the Press Secretary on October 6.

Message on the Observance of National Newspaper Week, October 10–16, 1982

October 6, 1982

A free press is a cornerstone of our democracy. In the First Amendment to the Constitution, our Founding Fathers affirmed their belief that competing ideas are fundamental to freedom. We Americans cherish our freedom of expression and our access to multiple sources of news and information.

But, as we know, there are other nations where the free flow of news is thwarted by governments fearful of letting people know the truth. In those countries, where censorship is a means of containing thought and action, newspapers are controlled by the government, and it follows that all human freedoms are limited.

The theme of this 1982 observance of National Newspaper Week, "A Free Press—Your Key to Freedom," reflects a basic tenet of American life. A free press is, indeed, our key to freedom.

During National Newspaper Week, I join with my fellow Americans in celebrating our free press and in paying tribute to the responsible men and women of the newspaper industry whose dedication and commitment to independent and truthful news reporting and analysis are the foundation of our continued progress as a nation.

RONALD REAGAN

Message on the Observance of International Newspaper Carrier Day, October 16, 1982

October 6, 1982

I welcome the observance of International Newspaper Carrier Day as an opportunity to commend those individuals throughout the country who deliver our newspapers.

As newspaper carriers you are an important link in the chain between publisher and reader. Your job helps millions of Americans to enjoy the convenience of home and office delivery every day.

Through your efficient and timely efforts, you help keep America informed and provide a vital service to our citizens.

RONALD REAGAN

Remarks at a Meeting With Republican Congressional Candidates

October 6, 1982

The President. Thank you very much. Thank you all very much. I know that you've been lectured at and spoken to and a lot of things are going on. And I feel sorry for you, but don't worry, I'm going to make a speech, too. [*Laughter*]

It's great to see all of you here. Before I forget, I want to remind you to keep a spot open on your calendars right after the November election. I'd like to have the pleasure of welcoming back the new superstars of 1982.

But I want to thank you, too, for everything you're doing to support our party and those values so crucial to a strong and a successful country. Hard work, personal initiative, opportunity, love of family, neighborhood, patriotism, and belief in God—those were the values that we pledged to defend and restore in 1980, and they're every bit as important today.

Now, I know that there are some whom I've referred to as "Rip Van Winkles," who seem to have forgotten that America even existed before 1981. They subscribe to the Big Bang theory—a whole universe suddenly came into being through a great explosion. The only difference is, in their version the Big Bang was on January 20th, 1981. And according to them, our economic crisis emerged full-blown by spontaneous generation just a few seconds after I took the oath of office. [*Laughter*] Up until then, we didn't have any troubles at all.

With all due respect, you and I have three very important truths to tell this election year. The first one is, the problems of overspending, big taxing, and runaway bureaucracy that have sapped our economic strength did *not* begin 20 months ago. They'd been building for 20 years, leading us to higher and higher levels of inflation and unemployment. And it was in the 4 years before we took office that those problems became so acute, they nearly brought America down.

Let me just interject a word here about partisanship, because I want to make something plain: When I speak out, I'm not attacking any one party or administration. As a matter of fact, for a good share of my life I was a Democrat. I was elected this time as a Republican, but with Republican and Democratic votes. And our programs couldn't pass in the Congress without support from responsible Democrats. But I do make one key distinction that's not always picked up. I'll say it very clearly now, again; some place maybe, they'll get it right.

It seems that a gulf has developed between the leaders of the Democratic Party and millions of the rank-and-file Democrats who do not share the big-government-is-best philosophy of that leadership. And I just wish everyone in Washington could understand what millions of Republicans and

Democrats at the grassroots learned a long time ago: You can't drink yourself sober; you can't spend yourself rich; and you can't prime the pump without pumping the prime.

Now, when Gerald Ford left office in January of 1977, he left behind an economy recovering from one of those bouts of high inflation and recession, caused by government living beyond its means. Inflation had actually reached double digits in 1974, but by 1976 it was back down to 4.8 [percent]. The prime rate was under 7 percent. You could get a home mortgage for 9 percent, and consumers could afford auto loans.

Then we took a giant step backward. Spending like there was no tomorrow, opening the floodgates of printing-press money, government pushed inflation all the way back up to 18 percent in January of 1980. 1979 and 1980 witnessed back-to-back years of double-digit price increases, the first time that had happened in over 60 years. We saw the national debt climbing to $1 trillion. Interest rates soared to an unbelievable level—21½ percent was the prime. That was the highest peak in more than a century. And for the first time in our history, productivity dropped—2 years in a row. The savings rate plunged, the rate of increase in industrial production dropped every year, and the rate of increase in the gross national product dropped 3 years in a row.

Taxes on the people actually doubled in the 5 years before we came to Washington. People were hit with the single highest peacetime tax increase in the history of the Republic. That was passed in 1977. The government sat back while inflation kicked taxpayers relentlessly into higher tax brackets.

The bottom line was an unacceptable decline in the real wages, earnings, and buying power of the working families and senior citizens of America—the very people that our critics profess to care so much about. With government growing like toadstools after a rainstorm, spinning out of control like a washing machine out of cycle, it was Washington that grew fat and prosperous by making everyone else poorer. Federal spending increased by 17 percent in 1980 alone.

Ask the voters in your State this question. How many blue-collar workers, small businesses, working mothers, or pensioners could say their wages, profits, or pensions or savings grew by 17 percent in 1980?

Mr. Arnold. Mr. President? Mr. President, you have given us the largest tax increase—[*inaudible*]. Mr. President, you are giving—us candidates were given the largest tax increase in the United States history. So the incumbent Republican Congressmen were told if they did not support that tax increase that their campaign funds would be cut off. I was against the tax increase and—[*inaudible*]—the Republican platform of 1980, which I support 90 percent. I have not received one cent, and I understand from other candidates across here the same thing has happened. We do not have the President supporting the Presidential programs. He reversed himself on Taiwan, the Soviets have a higher increase in trade, the Soviets get the wheat and the Americans get the shaft. We have a Tylenol taxation situation here, and we have "Reagan-mortis" setting in to the Nation's body politic.

[*At this point, another member of the audience applauded the remarks of Gary Richard Arnold, the Republican candidate for Congress from the 16th district of California.*]

The President. Okay. I don't know who the two of you are, but you haven't said a word that's true yet. The tax increase that we reluctantly supported, in order to get continued reductions in spending, was not the largest tax increase in history. A third of it was our promise to start trying to collect money that is owed by taxpayers who are ducking their taxes and that we're trying to get. [*Applause*]

And maybe I'm glad that you brought this up—[*laughter*]—because another large chunk of that tax increase had to do with Christmas tree ornaments that were hung on our tax program by opponents in Congress, who then saw a chance to get a little gravy for their own district or whatever faction they wanted to support. And in order to get the tax cut that we wanted, we had to take those Christmas tree ornaments, and a lot of those are what we cut.

Mr. Arnold. You have criticized Carter for having 19 members of the Council on Foreign Relations and Trilateral Commission. You now have 83 of those. Don Regan has Merrill Lynch setting up real estate offices throughout the country. You have Citibank merging with savings and loans. You have Armand Hammer taking over Citicorp. You have a small, elite, rich—the Council on Foreign Relations and the Trilateral Commission that totally runs your organizations and your—[*inaudible*].

The President. All right.

Mr. Arnold. ——has a part for anybody that wants to come——

The President. I thought this was for Republican candidates. [*Laughter*]

Mr. Arnold. ——more important here than the Republicans and——

The President. Just a minute.

Mr. Arnold. ——and what——

The President. Just a minute.

Mr. Arnold. ——wait——

The President. I don't know what you've been reading, but you don't know what you're talking about, because we passed in 1981 the largest, single tax cut in the history of this nation. [*Applause*] And, in spite of the tax——

Mr. Arnold. We have had more crises than——

The President. ——in spite of the tax increase—shut up.

Mr. Arnold. ——money went to——

The President. Look, in spite of the tax increase that we had to accept, we still have the largest tax cut in history—$335 billion over the next 3 years, at the same time of the tax increase that was put into effect.

Now, you've touched a nerve with the crack on Taiwan, and I know where you get that kind of stuff. There has been no reversal on our Taiwan policy. And our Taiwan friends are going to continue to get everything they need for their own self-defense at the same time that we're going to sincerely and honestly do our best to improve the relations with the People's Republic of China on the mainland. But they know, and, as a matter of fact, they know that they made concessions, because we told them the law of this land is the Taiwan Relations Act, and we're going to carry out that law.

And if the People's Republic keeps their word that they, for the first time, said that they would try to resolve their differences peacefully and arrive at a peaceful reunification, yes, then there would be no longer any need for us to provide defense weapons, and there would be a decline and an end at that time, but only linked to that promise of a peaceful reunification. Without that, and until that, we are going to continue to meet our responsibilities to our friends and allies on Taiwan. That has been badly distorted I regret to say, in even a publication that professes to be on our side. But that is the truth of the matter about Taiwan. [*Applause*] Thank you. [*Applause*] Thank you. [*Applause*] Thank you very much.

Now, if you don't mind, I'll try to find my place and go on here. [*Laughter*]

But let me make one thing plain in this election year: There's no morality in the misery caused by the failed policies that I've been talking about, of our opponents. Inflation is the greatest enemy of all the people and of our hopes for economic growth. It is at the bottom of the problems that we're trying to solve. Those who helped tax and spend this nation to the brink of bankruptcy should be the last ones delivering lectures on the most fair, effective way to end the crisis.

Who can remember any other time in this country when we faced double-digit inflation, a trillion-dollar debt, 21½-percent interest rates, and the highest peacetime tax burden in our history, all at the same time? Yet, that's exactly the situation that we inherited 20 months ago.

And just think of it, because of that trillion-dollar debt, as some of you who have been dealing with the problem know, the government must now spend $110 billion this year just to cover the interest. There's great talk about $100-billion deficits. Well, there wouldn't be any deficits if there wasn't a trillion-dollar debt.

Today, nearly 11 million people are out of work, and I share their frustration. Every American should be shocked at the economic chaos which created today's needless results. It's agonizing to me that there isn't

a quicker, easier cure for this terrible economic illness that was so long in the making.

But here's the second important truth that must be told. From our very first day in office, we've been working hard to undo the wreckage that was left behind, and we're beginning to succeed. We've pulled America back from the edge of disaster. We're not as far along as I'd hoped we would be, but we're better off than we were 20 months ago.

The same neglected problems that were dragging us down into the recession in 1980 are being confronted today and paving the way for recovery. You know, the great Western leader, Winston Churchill, once said that "When a train is running on the wrong track downhill, you can't try to stop it by building a brick wall across the track. You have to slow it down, then go in reverse back to the junction so you can switch it over to the right track." And that's what we're doing.

Our first urgent priority was to beat down double-digit inflation. Until people are convinced inflation is coming down and will stay down, they'll demand higher and higher rates of interest to keep the dollars that they lend from losing value while they're out on loan.

It was the expectation that double-digit inflation was here to stay that caused the interest rates to zoom up to 21½ percent. And that's what made it impossible for families to get home mortgages, for consumers to carry auto loans, for firms to modernize machines to keep product prices competitive. It was double-digit inflation and high interest rates that crippled the economy's ability to provide jobs, even as they squeezed the earnings and buying power of more and more families, forcing them to seek a second income in the job market.

Now, I know that lately there's been a nice game of saying, "Well, the tack today is to blame those over the last 20 years that caused these things, and we don't take any blame for anything." No, I want to be fair. Unemployment is 9.8 percent. When we took office it was 7.4 percent. Okay, I'll take blame for 2.4 percent of the unemployment. And if, as everybody is worried about, that it goes to 10 percent, well, then I'll take blame for 2.6 percent.

But we seem to be the only ones that are really on track in government today. When I say "we," I mean the Republicans in the Congress, in both Houses, and ourselves, plus some responsible Democrats who are not following the leadership of their party. We seem to be the only ones that are trying to solve not just the 2.4 percent that's come along in the last 20 months but the whole 9.8 percent, until we get everyone who wants a job back working.

Our program's been on the books now for just a year, and already that inflation rate which averaged 12.4 percent in '80, 1980—which the experts said would double—remain, I should say, in double digits for the next decade—has been beaten down to where for the first 8 months of this year, it's averaged 5.1 percent, and for the ninth month of this year it was down to what on an annual basis would be a 3.3 percent rate. And I've got news for those experts. We're going to do better. We've reduced inflation by 59 percent since 1980. Interest rates are down 40 percent from their highs. That's still not enough, but we're headed in the right direction, and we'll make progress.

This progress against inflation and the first real tax cut for everyone in nearly 20 years has led to more savings, higher real earnings, and more purchasing power for families. Their paychecks buy more. We hear so much breast-beating about fairness and compassion, particularly from the other side of the aisle. But let me give you a statistic that shows we're providing the kind of compassion that never existed under the policies of the past. A family of four on a fixed income of $20,000 is about $1,500 better off today than if inflation and taxes had continued at the 1980 rates. Let me repeat that, because it's an important number. A family of four, $20,000, has had the equivalent of a $1,500-raise because of what we've done about taxes and inflation. The family at a poverty level, where they don't pay taxes, their income is more than $500 better off simply because of the decrease in inflation.

Now, I'm proud that we've made the decisions to curb runaway spending, and I'm proud that we went to bat for taxpayers

when others before us refused. Incidentally, I was astonished to see a poll the other day that found the American people—we haven't done a good enough job in talking—the American people believe that the Democrats are better at cutting taxes than we are. [*Laughter*] Well, the income tax came into being in 1914, and since then the Democrats have cut that tax only once. This cut that we made is the 14th time that Republicans have cut the income tax since 1914. That might be a good thing to remember out on the campaign trail.

We believe the money people earn belongs to them, not to government, and it's about time they were allowed to keep a bigger share, and they will. A 25-percent tax-cut rate; indexing of tax brackets to end bracket creep; a reduction of the marriage penalty; an increase in the child care credit—the working mothers; our new incentives for retirement savings; and raising the estate tax exemption to $600,000 for farmers and family businesses who very often were put out of business—the surviving family, in the event of death, put out of business by the estate tax; and of even greater help, no estate tax for a surviving spouse—all of this have we brought about.

We have a comprehensive plan and it's working. It's bringing inflation and interest rates down. It's increasing purchasing power, and it's promoting new savings. It's beginning to do all the things needed to move the economy from recession to recovery and, yes, it does require patience. Just saying you've got a lower tax rate—and it's just beginning—does not bring the effect instantly that you're going to have. But as that continues, the added money then going into savings to add to the investment capital pool and going into improved spending—those are the things that are going to aid our economic recovery.

Tragically, unemployment is always one of the last to turn around. That money has to be felt; that increased spending that has to result then in more orders, increased productivity, resulting in the call-back of the people that had been laid off. And until all of that happens, we're going to provide assistance for extended unemployment benefits. And soon, I'll sign legislation for a program that's intended to train up to a million unemployed people or more, per year, for permanent, real, private sector jobs.

We still have a long way to go. The House leadership left without taking action on tuition tax credits, enterprise zones, or legislation designed to crack down on crime and make our streets safe. The House leadership left to campaign without passing appropriations bills that hold the line on spending. They stonewalled for months and then voted down a constitutional amendment to balance the Federal budget. Those who voted against that balanced budget amendment voted to weaken the financial security of every American family. What people want and certainly deserve is less political delay and demagoguery and more action to reduce the burden of that terrible trillion-dollar debt on their children and grandchildren.

Now, you and I can fight that battle for them. We must fight it, and we will.

And that's why you have a third truth to tell in the months ahead. The choice of American voters this year is just as important as the one they had 2 years ago. It's a clear choice about the kind of nation we'll be—whether we'll stick to our sure and steady course to put America back on track, or whether we'll slide backward into another economic binge.

Let our message be clear: We are asking the American people to stand with us, steady and unwavering. We can turn the hopes of our people into the renewal of all the dreams and opportunities that our nation was placed on this Earth to provide.

You know, I've seen a good deal of speculation lately about our prospects this November. Some people seem too optimistic, and some seen too discouraged. Well frankly, I've never put much faith in all this preelection quarterbacking. At this point in the 1980 campaign a number of Republican challenges were written off by the experts. I was, as a matter of fact, pretty close to that myself. [*Laughter*] And eight of those same challengers are now voting week in, week out, in the United States Senate.

As far as I'm concerned, looking ahead to this November, we concede no losses, and we take no victories for granted.

And let me tell you one other thing I know for sure. We go into this final stretch of the campaign season with four great assets: good candidates, good organization, good funds and, unlike our opponents, we keep even with an historic tradition that is typical of the Republican Party—those funds come from a broad base of small givers across the Nation, contrary to the misconception that is so widely voiced about us. We're not the party of the fat cats. For more than 25 years, we have topped the other party in the number and the amount that we get from small contributors. And finally, we have good issues on our side.

I believe with all my heart that today America is stronger than it was 2 years ago—stronger economically, militarily and, yes, even morally. We can stand tall and proud on our record and on the hopes that we offer for the future.

So, let's go out there in this last few weeks of this campaign with optimism and determination. We know that tradition runs against us. For half a century, the party that holds the White House has lost ground in the Congress in off-year elections. I had a bad moment here today when I thought I was losing ground—[*laughter*]. But we also know that our party, as a party, our numbers are smaller than those of the opposition. But as Dwight Eisenhower once told us some years ago, what counts is not necessarily the size of the dog in the fight; it's the size of the fight in the dog. [*Laughter*]

So, I can promise you today that if we go into this election with a fighting spirit, we'll emerge on November 2d with just what we all want—a stunning surprise.

Good luck. God bless you. And, as I said, I'll see you soon back here in Washington.

Thank you very much.

Note: The President spoke at 12:14 p.m. in the East Room at the White House.

Nomination of Douglas A. Fenderson To Be Director of the National Institute of Handicapped Research

October 6, 1982

The President today announced his intention to nominate Douglas A. Fenderson to be Director of the National Institute of Handicapped Research, Department of Education. He would succeed Margaret Joan Giannini.

He has been serving as director of the office of continuing education at the University of Minnesota since 1973. He is also a scientist at the Center for Health Services Research, University of Minnesota, School of Public Health. Since 1973 he has been executive secretary for the Bush Clinical Fellows program, the Bush Foundation, St. Louis. He was Director of the Office of Special Programs, Bureau of Health Manpower Education, National Institutes of Health, in 1972–1973. He was Chief, Health Services Manpower Branch of the National Center for Health Services Research and Development, HSMHA [Health Services and Mental Health Administration], in 1969–1972. He served as director of education for the American Rehabilitation Foundation in 1966–1969.

He graduated from the University of Minnesota (B.S., 1952; M.A., 1956; Ph. D., 1966). He is married, has four children, and resides in Shoreview, Minn. He was born January 28, 1929.

Nomination of Manuel J. Justiz To Be Director of the National Institute of Education

October 6, 1982

The President today announced his intention to nominate Manuel J. Justiz to be Director of the National Institute of Education, Department of Education. He would succeed Edward A. Curran.

He has been with the University of New Mexico since 1977 and is currently serving as director for Latin American programs in education in the College of Education and as associate professor in the Department of Educational Administration. He was assistant professor in the Department of Educational Administration in 1978–1982. He was associate director of Latin American programs in education in 1978–1979. In 1977–1978 he was associate director of the Multicultural Education Center and assistant professor in the Department of Secondary and Adult Education in the College of Education. Prior to his positions with the University of New Mexico, he was with the Lilly Endowment Higher Education program for the National Indian Education Association in Minneapolis, Minn.

He graduated from Emporia State University (Kansas) (B.A., 1970; M.S., 1972) and Southern Illinois University (Ph. D., 1976). He is married and resides in Albuquerque, N. Mex. He was born December 26, 1948.

Appointment of the Membership of Emergency Board No. 196 To Investigate a Railroad Labor Dispute, and Designation of Chairman

October 6, 1982

The President today appointed the following individuals to be members of an Emergency Board to investigate a dispute between the Southeastern Pennsylvania Transportation Authority and the Delaware Transportation Authority, and certain labor organizations:

Herbert Northrup, who will serve as Chairman. He is serving as professor of industry and director of industrial research, and chairman of the Labor Relations Council at the University of Pennsylvania (Wharton School), Philadelphia. He resides in Haverford, Pa.

Marjorie Broderick is assistant dean of Temple University Law School. She resides in Philadelphia, Pa.

Morris Gerber is an attorney. He is former county judge of Montgomery County, Pa. He resides in Norristown, Pa.

Appointment of the Membership of Emergency Board No. 197 To Investigate a Railroad Labor Dispute, and Designation of Chairman

October 6, 1982

The President today appointed the following individuals to be members of an Emergency Board to investigate a dispute between New Jersey Transit Rail Operations, Inc., and certain labor organizations:

Charles Serraino, who will serve as Chairman. He is a part-time labor consultant with the New Jersey Supreme Court. He is former commissioner of the New Jersey Department of Labor and Industry. He resides in Hasbrouck Heights, N.J.

Thomas Bruinooge is an attorney with the firm of Clapp & Eisenberg in Newark, N.J. He resides in Allendale, N.J.

Richard R. Kasher is a professional labor arbitrator. He was formerly a General Counsel for the National Mediation Board. He resides in Bryn Mawr, Pa.

Appointment of the Membership of Emergency Board No. 198 To Investigate a Railroad Labor Dispute, and Designation of Chairman

October 6, 1982

The President today appointed the following individuals to be members of an Emergency Board to investigate a dispute between the New York Metropolitan Transportation Authority and the Connecticut Department of Transportation, and certain labor organizations:

Arvid Anderson, who will serve as Chairman. He is chairman of the New York City Office of Collective Bargaining (arbitrators of municipal labor disputes). He resides in Scarborough Manor, N.Y.

Richard T. Niner is a self-employed investment consultant in New York and Connecticut. He resides in Greenwich, Conn.

Daniel G. Collins is serving as professor of New York University School of Law. He is also a member of the National Academy of Arbitrators. He resides in Amagansett, N.Y.

Statement on Signing the National Bureau of Standards Authorization Act for Fiscal Year 1983

October 7, 1982

I have signed into law S. 2271, which authorizes appropriations for the National Bureau of Standards, the National Technical Information Service, and the Office of Productivity, Technology and Innovation for fiscal year 1983.

While I am pleased to join Congress in support of the worthy endeavors of these agencies, I am concerned to note that S. 2271 stipulates minimum funding levels for four of the National Bureau of Standards' seven activities. These minimums constitute $17.2 million or approximately 15 percent of the total $117.9 million authorized for appropriation for them. Of the $17.2 million, $7.9 million is earmarked in excess of that requested for metals processing, computer science and technology, and robotics research and development. The minimum funding levels specified in these cases divert funds from what the administration considers high priority programs to programs that should more appropriately be conducted by the private sector.

Specification of minimum funding levels in authorization and appropriation legislation diminishes and restricts the Executive's ability to respond to new developments, particularly in the area of science where discoveries cannot be predicted and may require changes in the direction of research and development.

Therefore, while I am signing S. 2271, I urge Congress to abandon the practice of specifying minimum funding levels in the future. They can be harmful to the Nation as the administration strives to reduce Federal spending and to react effectively to new situations and conditions.

Note: As enacted, S. 2271 is Public Law 97-286, approved October 6.

Remarks at a Nevada Republican Party Rally in Reno
October 7, 1982

Mr. President, thank you. Governor, Senator Paul [Laxalt], and our fine candidates who are here—Barbara Vucanovich, Chic Hecht:

You know those words about this clear blue sky and this fresh air, being—the West is hard to leave. So, I hope the rest of the country will forgive me if I point out: Did you ever stop to think that if Columbus had taken that boat ride across the Pacific instead of the Atlantic, the capital would be out here? [*Laughter*] All these good people here, except Governor List—why don't we just skip November, and I'll take them back to Washington now? [*Laughter*]

But I'm told that this gathering is billed as an old-fashioned GOP—Grand Old Party—rally. The only thing about that that bothers me is that word "old-fashioned." I have a suspicion that's because I'm here. [*Laughter*] I'd like to make this a pep rally for the Wolfpacks' victory tomorrow.

Okay. You know, I have to tell you, I love outdoor rallies like this. Once during the campaign some fellow said to me that he didn't think I was working very hard. He said, "You've got too good a tan." And I said, "Well, I've been doing a lot of outdoor rallies." And then he says, "Well, you talk too long then." [*Laughter*] You know, there was a humorist—and maybe some of you are too young to remember him—but he was Robert Benchley. And he was in Hollywood for a time, making pictures. And when he wasn't working he was always indoors under a sunlamp getting a tan. And finally there in sunny California, indoors, a friend said to him one day, "Why don't you just go outdoors? And Bob Benchley said, "What? And get hit with a meteor?" [*Laughter*]

Well, you know, there are times when I think some of our critics and our opponents must have been hit by something—meteors or something else. They've developed a very interesting case of amnesia. They can't remember a thing that was bad about the economy prior to my taking the oath of office. [*Laughter*] They make you think that everything economically that's bad started on January 21st, 1981. They don't remember that in the 4 years before we got to Washington, the entire Government of the United States was in their hands.

They controlled the Presidency, the United States Senate, the House of Representatives, and all the committees of Congress, the executive branch, the hundreds of departments and agencies responsible for running the Federal establishment. They had the whole enchilada. They controlled everything except inflation, interest rates, taxes, and an economy that was on a toboggan slide.

And in their political amnesia, they've forgotten that under their leadership inflation went up from 4.8 percent in 1976 to 18 percent by January of 1980, and that at the same time the interest rates climbed from 7 percent to 21½ percent and our taxes doubled in 5 years. Well, I can't blame them; if I were in their place, I guess I'd try to forget a lot of things, too.

But now let me point out that I spent most of my life as a Democrat. And I know others at this rally have been or still are Democrats, and they have every reason to be proud of their party's many fine traditions. The problems we face today are bigger than any single political party, and solving them will require the best efforts of all our people.

But in saying that, let me point out something else. I think it's important to note that there is a great gulf today between millions of patriotic Democrats and the leadership of their party. I don't fault the intentions of that leadership these past years. I know they meant well. They claim compassion and deny that we feel any. But their compassion stopped short of the average American, the men and women who hold our country together and who were being taxed into poverty to support an ever-growing bureaucracy that wasn't helping solve anything. Indeed, it was not government that should solve the problems; it was government that was the problem.

Families, both Democrat and Republican were driven in the evening to sit around the kitchen table in too many American homes to try and figure out how to cope with inflation and what they were going to do next. And while the average family was being pinched, it was fat city for the Federal Government. In the year before I took office, that single year, Federal spending increased by 17 percent. How many of our fellow citizens were able to say that their incomes or their pensions or their savings had gone up by 14 [17] [1] percent. They hadn't. As a matter of fact, for those few years, the standard of living in this country was actually going down even though people were getting cost-of-living pay raises because those cost-of-living pay raises were moving them up into higher income tax brackets.

Right now we're all paying the penalty of those tragic excesses of the past. Unfortunately, many are paying with their jobs. Nearly 11 million people are out of work. And, you know, the worst of it is, it didn't have to be this way. If only the big spenders in Congress had shown some restraint. If only they would now.

That's why the balanced budget is so important. The United States Congress breathes on a respirator that's pumping money, money, money. And the best way to pull the plug on its big spending ways is a balanced budget amendment to our Constitution.

But even though the American people want the amendment, even though a majority of the Congress voted for the amendment, the House Democratic leadership still prefers the failures of the past to the steps that we must take to build a better future. And that's what this election is all about.

Tomorrow the new unemployment rate comes out. And a great many people are anticipating—and very possibly it will show—another increase. But I have some questions for those who'll be all over our television screens lambasting this administration if it does. Where were they when the economy started going haywire? What are they offering now, except their failed policies of the past—spend and spend, tax and tax, and, if that isn't enough, borrow and borrow. Let me ask one final question of them: When will they open their eyes to the onrushing surge of confidence now occurring in this country's financial markets?

Earlier today—you haven't heard—I'm pleased to report that a number of major banks in the United States this morning lowered their prime lending rate to 13 percent. Now, that's a far cry from the 16½-percent rate that prevailed just this last summer and the 21½ percent that was in effect just before we took office. And as interest rates have tumbled, investment has been flowing into our equity and our bond markets. In the past 2 months alone, the Dow Jones Industrial Average has jumped more than 20 percent. And yesterday, it had the second biggest increase in the market in history.

Those investors who have the responsibility of investing billions of dollars, including the pension funds of American workers, don't make their decisions lightly. Are they sending us a signal? Do they believe that the American economy is turning a corner, maybe? Do they believe we mean business in our battle against inflation? Are they ready to give this economy a strong vote of confidence?

It's an unfortunate fact of life, however, that one of the last symptoms of recession to yield to a recovery is unemployment. But in the meantime, there are important steps we've taken to reduce that hardship. We've extended unemployment benefits in those hard-hit areas to those who have exhausted their time. And I will soon be signing—that's recently been passed—a job training bill, a measure that will provide training for over a million Americans a year.

Now, this is important. If you take on a Sunday and open to the help-wanted ads in a metropolitan paper, and discover that even with 11 million people, almost, unemployed in this country, you will find 65 or 70 pages of help-wanted ads asking for workers to come. Why aren't they filled? Because that the people who don't have the skills that those jobs require. And we're going to try to give them to them.

In past training bills—there's a difference between the one that I'm going to sign and

[1] *White House correction.*

those past ones. In the past bills, only 20 cents out of the dollar went to actual training. The rest could be considered administrative overhead. Well, in our bill 70 cents out of every dollar is going to the actual training.

And tomorrow I will sign the Export Trading Company Act, which will encourage the formation of trading companies to spur exports. And the best thing about this measure is that it assists U.S. businesses in developing exports and thus creates hundreds of thousands of jobs at virtually no cost to the taxpayer.

You don't know how much I wish there were some quick, easy cure for this terrible economic mess that was so long in the making. But it does seem to me that the people who created the mess are hardly justified now in claiming that having created it, they're the best qualified to try and clean it up.

From our very first day, we've been working to undo the economic wreckage they left behind. As a matter of fact, when I finished taking the oath of office on that inaugural day, the first thing I did was go back into the Capitol, and before I'd even taken my topcoat off, I signed an Executive order [memorandum] freezing the size of the Federal Government, that it could not grow from that day forward. To get control of the spending, to encourage incentives by lowering taxes, to root out waste and fraud, to stop unwise regulations, and start America on the road to expansion and growth once again—that's what we've been trying to do since that January day.

I won't dwell on this, but you might be interested to know that we've had a team of Inspectors General who have been making thousands—tens of thousands of audits. There have been thousands of indictments. There have been hundreds of convictions already for such things as a government agency spending some $300 for an item that they could get for about $30 in their local stores. Other things of—thousands of people that were still receiving checks from the Government; they'd been dead for an average of 7 years.

Our first priority was to lick inflation. Well, inflation has been reduced by 59 percent. Since January it's averaged 6.1 percent, and last month it went down at an annualized rate of 3.3 percent. An average family of four with an income of $15,000 is about $1,000 better off in purchasing power than it would have been if inflation had stayed where it was 20 months ago. Interest rates have dropped nearly 40 percent. And I've told you, of course, made the announcement about the prime, down to 13 now.

Unnecessary regulations have been reduced. The American people have been sending about 10 billion pieces of paper to Washington a year. We so far have reduced the amount of paper by about 200 million man-hours of work in filling out that paper. Your tax rates when the final installment goes in next July will have been cut for the first time in 20 years. Step by step, our program is working.

I believe deeply that we can put our current economic difficulties behind us if we have the strength to stick to our course. But until there's a job for every American who wants to work, and as long as plants and machinery lay idle, we can't let up in our efforts.

We Americans have been tested by these past few years of discouragement. But we've never been quitters, and we're not going to quit now. I hear all those voices every day saying that we can't succeed. Well, if we only put our heart and courage to the test, I say we can't fail.

To those who are faint hearted and unsure, I have but one message: If you're afraid of the future, then get out of the way; stand aside. The people of this country are going to move forward with people like Governor List, Barbara Vucanovich and Chic Hecht and Peggy Cavnar down south. Nevada represents the true spirit of America. And I'm honored to be with you today and to share in that spirit. And I have to tell you your hospitality has lifted my own spirits as high as those beautiful soaring Sierras that we can see out here every day.

I just have one last remark to make. You know, there've been great charges about who has compassion, as I mentioned earlier, and who doesn't. And, of course, we're supposed to be hard-hearted, and we're supposed to be balancing inflation by doing all

sorts of cruel things.

Now, I know that, as I said earlier, that the party before us was well-intentioned with all of their social reforms and their attempts to help people. But when you're going to help people, you really should know what you're doing. And their efforts at helping people, that brought us a trillion-dollar debt and brought us the inflation and made people poorer, not better off, reminded me of the young fellow one day that was riding a motorcycle.

It was a cold winter day, had a leather jacket on; the wind was whistling in through the buttons on his jacket chilling him. And he finally figured out if he stopped and put the jacket on backward, that wouldn't happen. So, he did, and down the road he went. But it kind of restricted his arm motion a little bit. So, he hit a patch of ice and skidded into a tree. And when the police arrived and elbowed their way through the crowd that had gathered, and they said, "What happened?" The people who were there first said, "We don't know. He seemed to be alright when we got here, but by the time we had his head turned around straight, he was dead." [*Laughter*]

So, we're going to try to keep everybody warm. And we're not going to try to turn their heads around straight. We're going to try to help them in the regular and old-fashioned American way, which is: direct the help in such a way as to make people self-sufficient and independent and no longer dependent on bureaucrats for a handout.

So, thank you, God bless you all, and happy going tomorrow.

Note: The President spoke at 12:12 p.m. from a stage constructed on the campus quadrangle of the University of Nevada/Reno. The President's remarks followed an introduction by Joe Crowley, president of the University of Nevada.

Following his appearance at the rally, the President attended a fundraising reception for Governor Robert List, a candidate for reelection, and congressional candidate Barbara Vucanovich at the Rancho San Raphael in Reno. He then traveled to Las Vegas, Nev., where he attended a fundraising reception for senatorial candidate Chic Hecht and congressional candidate Peggy Cavnar at the residence of entertainer Wayne Newton.

Following his campaign activities in Nevada, the President went to Los Angeles, Calif., where he remained overnight.

Remarks on Signing the Export Trading Company Act of 1982
October 8, 1982

President Jesse Calhoon, Mr. Mayor, our Congressmen who are here—I'm sorry that your Congressman, Dan Lungren, couldn't be here with us today—and the other distinguished gentlemen who are here, and particularly Captain Boehm, who has 40 years of crossing the ocean with American products all over the world:

It's a great pleasure for me to be here in the only harbor in the United States that has the Presidential E Star Award for excellence in encouraging exports.

These ships and the goods they deliver have traveled great journeys, often, as we know, through stormy seas, to bring commerce, jobs, and well-being to our country and our people. Today in America all of us are participating in a similar journey that began 21 months ago. When we took charge of our Ship of State it was in dangerous disrepair, struggling through quite a raging economic storm. We faced double-digit inflation, high unemployment, 21½-percent interest rates, a trillion-dollar debt, and the highest peacetime tax burden in our history, all at the same time. We knew we couldn't solve in 20 months economic problems that had been building up over the decades, but we remain a hundred percent committed to a healthy, expanding economy for all.

And let me tell you something. No matter

what the doomcriers say, we're much closer to that goal today than we were. One by one, we have faced up to the problems created by mistakes of the past—problems which threatened all our hopes and dreams for the future. Runaway spending has been brought under control; double-digit inflation, the single greatest enemy of jobs, growth, and stability, has been defeated—for the first 8 months of this year, down from 12.4 [percent] to 5.1 and last month, on an annualized basis, it was running at 3.3. The cruel, punishing tax burden has been reduced for every American taxpayer, and interest rates have dropped sharply. And yesterday morning, a long list of major banks in the country announced that they'd dropped it another half point down to 13 percent, from that original 21½ that we'd known.

Now, these fundamental reforms had to be made, and they must and will be continued. But we still have one major hurdle ahead. The toughest, most urgent priority that we now face is to create more jobs. We must not be satisfied until every single American who wants a job has a job.

This morning we received the bad news, of course, that the 9.8-percent unemployment rate in our country had gone to 10.1 percent. What we must guard against are those who will make, or try to make, a political football out of this cruel fate for so many of our people and this bad news. It is an election year. Already some would—in this political footballing—would try to load the entire blame for the 11—for the 10.1, I should say, let's not make it worse than it is—10.1 on the backs of our administration.

Well, I want to be fair about this. It was 7.4 [percent] when we started. Going to 10.1 makes it 2.7 that has occurred since we've been there. And I am willing to accept responsibility for the 2.7, if those others will accept responsibility for the 7.4.

But to make it really fair, I'll tell you this. I guarantee you we're going to accept responsibility in this administration for finding jobs for all of the 10.1. Our progress in reducing inflation is a major step toward achieving that goal, and another is to start increasing American exports and stop exporting American jobs. And that's what we're here to do today.

Greater export power means a better balance of payments for our country—as you've been told—more trade for American firms, and more jobs for our people.

One out of eight jobs in manufacturing, one out of every three jobs in agriculture relate directly to exports. So, I've come to ask your support in a new challenge for American exports. I believe that what we've done is good. I know what we can do is even better.

The legislation that we're signing today, the Export Trading Company Act, will provide thousands of small- and medium-sized businesses new opportunities in foreign trade. It can create several hundred thousand jobs at a minimum expense.

With aggressive steps to open up the overseas markets to American goods, with determination to ensure our business community a fair shake with their competitors, and with an all-out commitment by American business and business leaders to seize the new opportunities in this legislation, we can improve the well-being of all Americans.

This bill removes impediments to trade and permits companies to sell American products overseas more efficiently and effectively. It simplifies access to financing for small- and medium-sized export companies, and it encourages new involvement in exports by the American banking community.

We believe the bill could increase our exports by up to $11 billion in the next 1 to 3 years. This bill has been a high priority for our administration. The previous administration had tried to get the bill passed but failed to make it through the Legislature. We're deeply indebted to Senators John Heinz and Jack Danforth and many other Members of the House and Senate for their help and leadership in this legislation.

Let me just add that by increasing exports and trade, those of you working at the ports and on the ships will see more jobs created. Jesse Calhoon, this is just one more way we hope to continue being of help to you and your membership. And I thank you for your kind words.

You know, Jesse is also showing us how civilians can man some Navy ships and at less cost. And we hope to make even more

progress in that area, too, because it means more jobs.

In the last century, Yankee clippers carried American products abroad, returned with exports from distant lands. Americans still have the know-how and the vitality to sail the oceans in pursuit of trade. We're encouraging them to do just that.

Along with the job training act that I'll sign next week, this bill marks a departure from previous, expensive, make-work job programs. Those were programs that were a kind of quick fix in all the seven recessions that we've had since World War II, up to this one. They benefited politicians, but they didn't provide the real, lasting, private sector jobs that unemployed Americans need. We're not going to start down that inflationary, dead-end route; we must go forward with new, efficient, and lasting efforts to expand employment and create genuine opportunities.

We're witnessing a solid vote of confidence in America's economy and her future. The strength of our currrency—now the strongest in the world. I can remember when you kind of had to think twice about spending dollars abroad, because they didn't buy as much. But the surge of investment in our bond and equity markets are telling us something very important. America's economy is ready to lead the world out of recession and into recovery. And we must remember that this recession is not ours alone; it is worldwide. And we are in and have been in the longest period of sustained worldwide inflation in the history of mankind. And I think our country is taking the lead in reducing that, and we can export that also—that reduction in inflation.

Our job isn't over, and it won't be easy. But with patience, resolve, and faith, we can and we will make this great land all that we've ever dreamed she can be. And now, I'm going to stop talking and start writing and sign this bill.

Government pens—they'll only write one name. [*Laughter*] You have to use more than one.

[*At this point, the President signed the bill.*]

It is now signed into law.

Note: The President spoke at 9:05 a.m. at the Sea-Land Service, Inc., in Long Beach Harbor, Long Beach, Calif. The site of the signing ceremony was adjacent to the Sea-Land Explorer, a D-9 vessel container ship and the most modern in the American merchant marine. In his opening remarks, the President referred to Jesse Calhoon, president of the Marine Engineers Beneficial Association, and Capt. Harold Boehm, who was retiring from the merchant marine after 48 years of service.

As enacted, S. 734 is Public Law 97-290, approved October 8. After signing the bill into law, the President went to Tijuana, Mexico, to meet President-elect Miguel de la Madrid.

Toasts of President Reagan and President-elect Miguel de la Madrid of Mexico at a Luncheon Honoring the Mexican President-elect in Coronado, California

October 8, 1982

The President. Buenos tardes and welcome. I'm aware, Mr. President, that today instead of welcoming you, I should be saying welcome back. My country is most honored that the Mexican people have selected as their new President a man who studied for a time at one of our universities. And this should be no surprise to any of us. The citizens of our two countries are inextricably linked. In commerce and in culture, we're both proud and independent; yet, at the same time, each of our societies is enriched and strengthened by its relationship with the other.

Here in the Southwest, and especially California, we're keenly aware of our debt to Mexico—the fountainhead of so much of

our heritage. It's fitting that we began our day by placing a wreath at the statue of Benito Juarez—a man who also visited the United States before emerging as a great Mexican leader. Juarez, a contemporary of Lincoln, a man acclaimed in the highest levels of our diplomatic community, once said that respect for the rights of others, between individuals as between nations, is the basis of peace.

Today, his words still ring true. With the mutual respect of which he spoke, we will continue the peaceful, amicable, and mutually beneficial relations that are the pride of our two nations.

Juarez led your country in a period of great uncertainty. Both Mexico and the United States were engulfed in civil strife. And today, again, both of our people suffer—this time from serious economic problems, a malady which is worldwide in scope.

You and your country, Mr. President-elect, as we in the United States, are dedicated to restoring health to a troubled economy. Each nation must confront the crisis in its own way. But as your friend we stand ready to work with you, recognizing that in times such as these friendships are put to the test.

Let there be no doubt that our affection will not only withstand these difficulties but triumph over them. Indeed, out of economic adversity may spring new incentives to expand the vast economic potential that exists on this proud continent.

Our meetings today continue a tradition which began in the first decade of this century. My meetings as President-elect with the incumbent President of Mexico opened lines of communication and established a personal relationship that proved indispensable. And after getting acquainted today, I am certain that the same cordiality and trust that have played such a significant role in Mexican-American cooperation during these last 21 months will continue and, hopefully, expand.

Mr. President-elect, I know of your admiration for José Maria Morales, a leader in your country's fight for independence and a man who championed constitutional government. We must never forget that the United States and Mexico represent more than friendly neighbors—something to be proud of in itself—but also two peoples who are dedicated to certain ideals of freedom, found in only a few countries.

Over these last 21 months, my administration has worked closely with its counterpart in Mexico City in many areas of concern, with particular attention to the stability and independence of Western Hemisphere nations. Your generous contributions to the Caribbean Basin have been much appreciated. And while we've not always agreed on everything, we've developed a firm respect for your opinions and for the vital role that Mexico plays in international affairs.

It's my sincere hope that we can build upon the current spirit of cooperation, and that with respect for the rights and dignity of each other, with recognition of our affection and common interests, the friendship of our two countries will serve as a model for free nations everywhere and that our personal relationship will be marked with trust and admiration. I'm confident that will be the case, Mr. President-elect, because even after our short meetings today, I know you're a man in whom I can confide as a friend.

So now, I ask all of you to join with me in a toast to Miguel de la Madrid, the next President of Mexico.

The President-elect. Mr. President, I do appreciate the kind and cordial hospitality that you have shown me throughout this meeting. I particularly thank you for your willingness to begin our meeting with a ceremony in honor of President Benito Juarez, a gesture that represents a symbol providing a good auspice for our personal relations. Benito Juarez represents for the Mexican people a precious piece of our history and everlasting values. He consolidated our national independence in the face of foreign intervention, and he led a generation of brilliant Mexicans who laid the foundations for our modern democratic and liberal state.

I consider our meeting highly beneficial. It is a good prolog to the relations we are to have once I become President of Mexico next December 1st. This personal and friendly contact has allowed a free and

spontaneous exchange of opinions, without formalities or stiffness, in an atmosphere of cordiality and dignity—elements that should be the cornerstones in the relations between countries that are neighbors and friends.

Mexico and the United States have been building throughout different periods of time—some of them not always easy or pleasant—a relation based on the reciprocal recognition of our respective sovereignty and interests.

Our long border unites us, and the divergence of our cultures and of the stages of our economic and social development compel us to get to know and understand each other better each day. We have differences and similarities. If we recognize them and understand them, we can continue developing our relations for the benefit of our peoples.

We have, although in a different expression, the same goals: democracy, liberty, and social justice. Each nation works in its own way to obtain those objectives, just as every man should have the right to guide his own destiny. In the dignity of our conduct lies the strength and favorable outlook for our relations.

I have asserted the Mexican peoples' conviction that the solution for our economic problems should be based, essentially, on our own efforts. We will do this with responsibility and energy. The Mexican people are capable of facing adversity and rise above it through our strength and organized effort.

But I have also pointed out, Mr. President, that in the interdependent world in which we live, international cooperation is necessary so as to ensure that nations may effectively solve their own problems. A negative international environment, such as the one we live in today, makes the internal efforts of each country more difficult.

It is in the interest of Mexico that the United States have a healthy and prosperous economy and that it becomes a stable and vigorous market for Mexican goods and services. I know that you're working hard to achieve these aims.

It is in the interest of the United States, as you know, that Mexico overcome its current difficulties and that it regain its strength for economic growth and for the creation of jobs. It is only natural that the United States should watch with a constructive interest a country which is its third most important client. The Mexican recovery is also an important element in world economic development and in international trade.

I am absolutely confident, Mr. President, with respect to the future of my country. We have ample and varied natural resources and a significant progress in our social development. That is not to say we do not have inequality. But we have the most precious wealth of any nation—a strong and nationalistic people, each day better prepared for the tasks of development. I am sure that with effort, with equality, and discipline we will overcome the crisis in which we find ourselves, which is not a crisis of stagnation or decline but a crisis of growth and dynamism.

We Mexicans have, moreover, a solid asset—a stable and dynamic political system, the product of our historical tradition. It binds together the strongest political forces of the nation and unites Mexicans around a vigorous and deeply rooted nationalism. Our nationalism does not imply hostility or exclusivism; it attends to the understanding of our problems, to the optimum use of our resources, to the defense of our political independence, to the assurance of our economic independence, and the continuity and advance of our culture.

We Mexicans want peace for all nations, the peaceful solution of conflicts, respect for the principle of nonintervention and the strengthening of international economic cooperation. We also want to live in peace and friendship with our neighbors, enjoying friendly, respectful, and fruitful relations with dignity.

Mr. President, I am sure that the friendship and personal relationship we have built during this meeting will contribute to those goals and shall benefit both our great peoples. I leave testimony of the good will and sympathy from the people of Mexico that you have expressed to me on this opportunity. I believe that this is the prolog and the preamble to a relationship of friendship.

I wish to raise my glass and toast to the

friendship and prosperity of the United States and Mexico. I toast to the people of the United States, to your personal happiness, Mr. President, and to your well-being.

Note: The President spoke at 2:17 p.m. in the Coronet Room at the Hotel del Coronado. President-elect de la Madrid spoke in Spanish, and his remarks were translated by an interpreter.

Earlier in the day, the President went to Tijuana, Mexico, where he met President-elect de la Madrid. They placed a wreath at the statue of Benito Juarez, which is located in front of the Government Center office building in the city's Civic Center. The site is approximately 2 miles from the U.S.-Mexican border.

Following the wreathlaying ceremony, the President and President-elect de la Madrid went to the Hotel del Coronado. They met in the Presidential Suite for approximately an hour and were then joined by members of the U.S. and Mexican delegations for an expanded meeting. The luncheon followed the expanded meeting.

Remarks at the Conclusion of Meetings With President-elect Miguel de la Madrid of Mexico in Coronado, California

October 8, 1982

The President. I was pleased to meet with President-elect de la Madrid today, continuing a longstanding tradition in which the President-elect of each of our respective nations meets with the incumbent President of the other. Our conversations encompassed a broad range of issues of importance to both our countries. The talks were carried out in a spirit of warmth and mutual respect, as befits close friends and neighbors.

Our meetings today establish the framework for a close and durable relationship, and I look forward to working with President-elect de la Madrid when he assumes office. And we've been delighted to have you here.

The President-elect. I deem that the informal meeting which I have just held with President Ronald Reagan has been most fruitful. I feel that this type of gathering is useful, for it establishes a framework of dignity and cordial friendship between the heads of state of two neighboring countries—a relationship of cordiality and of close dialog.

We have held a personal and friendly conversation, characterized by a free and spontaneous exchange of ideas without formalities or restrictions of any sort. Dialog and communication have been established between us. I have expressed to President Reagan my intent to give a positive accent to relations between Mexico and the United States. Our countries are linked not only geographically but by multiple relations and interests.

Both our countries can derive great benefit from this relationship if a mutual knowledge of our problems exists as well as the political will to solve them. Our friendship is based on respect and dignity. Good friends do not always think alike, but when understanding prevails, differences are overcome.

Mexico wishes that the United States will continue to be a prosperous neighbor with a free and democratic society. I am aware that the United States shares the same interest with regard to Mexico.

Finally, I would like to underscore my personal satisfaction at having held this interview in San Diego, California. This is a region of the United States which is particularly close to the history and the hearts of us Mexicans. This is a region of the United States where many Americans of Mexican descent have toiled to generate the prosperity of a great nation.

And, lastly, I wish to thank the media of both the United States and Mexico for the interest they have shown in this meeting between Mexico and the United States. I thank you.

Note: The President spoke at 3:15 p.m. in the Crown Room at the Hotel del Coronado. President-elect de la Madrid spoke in Spanish, and his remarks were translated by an interpreter.

Following his meetings with President-elect de la Madrid, the President went to Rancho del Cielo, his ranch near Santa Barbara, Calif., for the weekend.

Executive Order 12387—Adjustments of Certain Rates of Pay and Allowances

October 8, 1982

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

Section 1. Statutory Pay Systems. Pursuant to the provisions of subchapter I of Chapter 53 of Title 5 of the United States Code, the rates of basic pay and salaries are adjusted, as set forth at the schedules attached hereto and made a part hereof, for the following statutory pay systems:

(a) The General Schedule (5 U.S.C. 5332 (a)) at schedule 1;

(b) The Foreign Service Schedule (22 U.S.C. 3963) at Schedule 2;

(c) The Schedules for the Department of Medicine and Surgery, Veterans Administration (38 U.S.C. 4107) at Schedule 3; and

(d) The rates of basic pay for the Senior Executive Service (5 U.S.C. 5382) at Schedule 4.

Sec. 2. Pay and Allowances for Members of the Uniformed Services. Pursuant to the provisions of Section 1009 of Title 37 of the United States Code, the rates of monthly basic pay (37 U.S.C. 203(a) and (c)), the rates of basic allowances for subsistence (37 U.S.C. 402), and the rates of basic allowances for quarters (37 U.S.C. 403 (a)) are adjusted, as set forth at Schedule 5 attached hereto and made a part hereof, for members of the uniformed services.

Sec. 3. Executive Salaries. The Executive Salary Cost-of-Living Adjustment Act (Public Law 94–82, 89 Stat. 419) provides for adjustments in rates of pay and salaries as set forth at the schedules attached hereto and made a part hereof, for the following:

(a) The Vice President (3 U.S.C. 104) and the Executive Schedule (5 U.S.C. 5312–5316) at Schedule 6;

(b) Congressional salaries (2 U.S.C. 31) at Schedule 7; and

(c) Judicial salaries (28 U.S.C. 5, 44(d), 135, 172(b), 252, and 11 U.S.C. 68(a), and Section 401(a), 404(a), 404(b) and 404(d) of Public Law 95–598) at Schedule 8.

Sec. 4. Effective Date. The adjustments in rates of monthly basic pay and allowances for subsistence and quarters for members of the uniformed services shall be effective on October 1, 1982. All other adjustments of salary or pay shall be effective on the first day of the first applicable pay period beginning on or after October 1, 1982.

Sec. 5. Superseded Executive Order. Executive Order No. 12330 of October 15, 1981, is superseded.

RONALD REAGAN

The White House,
October 8, 1982.

[*Filed with the Office of the Federal Register, 4:13 p.m., October 8, 1982*]

Note: The schedules are printed in the Federal Register *of October 13, 1982.*

Radio Address to the Nation on Solidarity and United States Relations With Poland

October 9, 1982

My fellow Americans:

Yesterday the Polish Government, a military dictatorship, took another far-reaching step in their persecution of their own people. They declared Solidarity, the organization of the working men and women of Poland, their free union, illegal.

Yes, I know Poland is a faraway country in Eastern Europe. Still, this action is a matter of profound concern to all the American people and to the free world.

Ever since martial law was brutally imposed last December, Polish authorities have been assuring the world that they're interested in a genuine reconciliation with the Polish people. But the Polish regime's action yesterday reveals the hollowness of its promises. By outlawing Solidarity, a free trade organization to which an overwhelming majority of Polish workers and farmers belong, they have made it clear that they never had any intention of restoring one of the most elemental human rights—the right to belong to a free trade union.

The so-called new trade union legislation under which this contrary and backward step has been taken claims to substitute a structure and framework for the establishment of free trade unions in Poland. But the free world can see this is only a sham. It is clear that such unions, if formed, will be mere extensions of the Polish Communist Party.

The Polish military leaders and their Soviet backers have shown that they will continue to trample upon the hopes and aspirations of the majority of the Polish people. America cannot stand idly by in the face of these latest threats of repression and acts of repression by the Polish Government.

I am, therefore, today directing steps to bring about the suspension of Poland's most-favored-nation-tariff status as quickly as possible. This will increase the tariffs on Polish manufactured goods exported to the United States and thus reduce the quantities of these goods which have been imported in the past.

The Polish regime should understand that we're prepared to take further steps as a result of this further repression in Poland. We are also consulting urgently with our allies on steps we might take jointly in response to this latest outrage. While taking these steps, I want to make clear, as I have in the past, that they are not directed against the Polish people. We will continue to provide humanitarian assistance to the people of Poland, through organizations such as Catholic Relief Service and CARE, as we have since the beginning of martial law.

At the same time, I stand by my earlier offer to provide recovery assistance to help the Polish economy back on its feet, once Warsaw restores to the Polish people their human rights.

There are those who will argue that the Polish Government's action marks the death of Solidarity. I don't believe this for a moment. Those who know Poland well understand that as long as the flame of freedom burns as brightly and intensely in the hearts of Polish men and women as it does today, the spirit of Solidarity will remain a vital force in Poland.

Surely, it must be clear to all that until Warsaw's military authorities move to restore Solidarity to its rightful and hard-won place in Polish society, Poland will continue to be plagued by bitterness, alienation, instability, and stagnation.

Someone has said that when anyone is denied freedom, then freedom for everyone is threatened. The struggle in the world today for the hearts and minds of mankind is based on one simple question: Is man born to be free, or slave? In country after country, people have long known the answer to that question. We are free by divine right. We are the masters of our fate, and we create governments for our convenience. Those who would have it otherwise commit a crime and a sin against God and man.

There can only be one path out of the current morass in Poland, and that is for the military regime to stand up to its own statements of principle, even in the face of severe outside pressure from the Soviet Union; to lift martial law; release Lech Walesa and his colleagues now languishing in prison; and begin again the search for social peace through the arduous but real process of dialog and reconciliation with the Church and Solidarity.

I join with my countrymen, including millions of Americans whose roots are in Poland, in praying for an early return to a path of moderation and personal freedom in Poland.

Thanks for listening. I'll be back next week. Let Poland be Poland. God bless you.

Note: The President spoke at 9:06 a.m. from Rancho del Cielo, his ranch near Santa Barbara, Calif.

Remarks at a Rally for Texas Republican Candidates in Irving
October 11, 1982

The President. Thank you very much, Jim. Reverend clergy, the officials of our party, our national committeewoman, the others who are here on the platform, and I want to say my thank you to the Apache Belles for that wonderful performance. I'm just sorry that with the geography, more of you couldn't have a clearer view of them.

It's great to be—incidentally, you know every once in a while, someone asks you why you campaign. Well, I just thought as I came walking down here between those two lines of those lovely young ladies, why not? [*Laughter*]

But it's great to be back in these parts, where the Texas spirit is every bit as big as your wide open sky. Now, if you think I'm just a visitor saying that for possible political profit, let me point out I could have said "our wide open sky," because it was just about 25 years ago that I was commissioned an honorary citizen of the Lone Star State. So, you have to believe me when I say Texas is number one in hospitality, and a lot of other things, also.

You probably know that story about the young fellow that once asked a stranger if he was from Texas, and the kid's father kind of took him in hand and he said, "Son, I want you always to remember one thing: If a man comes from Texas, he'll tell you without being asked"—[*laughter*]—"and if he doesn't come from Texas, there's no need to embarrass him." [*Laughter*]

But I want to say a few words about your Texas stars that we need to help us finish the job that we began less than 2 years ago. In 1980, we pledged to work for policies that would strengthen the values crucial to a strong, successful country. You know what they are, because here in Texas words like self-reliance, personal initiative, opportunity and, yes, as Jim said, love of family and neighborhood, and patriotism, and belief in God, describe everyday facts of life.

There's a man here whose philosophy and voting record reflect a life-long commitment to those bedrock values that made America great. He loves this State. He has put together a strong campaign. He has closed a big gap in a hurry. I believe in him, and with your all-out support, Jim Collins can and will be the next elected Senator from the State of Texas.

And I have to say this: Jim's opponent talks like a Texan, but when he's back in Washington, he doesn't vote like one. Wouldn't it be great if John Tower, who does such a fine job for Texas, could work with a colleague, his fellow Senator, who reinforces his vote, instead of with someone who cancels it out?

We're hoping, too, that you will go all out for your excellent House candidates. We need them in Washington. And let me say a few words about your leader who's out campaigning and couldn't be here. He's going to have a debate, and he told me that some place in the debate he was going to find a place to say, "There you go again." [*Laugh-*

ter] His leadership, his competence—this is what he's all about. In this State, it isn't good enough to say that Texas has one of the toughest, most effective Governors in the country; you have to say Texas will elect the best Governor, and that means making sure Bill Clements stays right there where he is doing his great job. [*Speaking to Jim Collins:*] I almost nominated you for Governor just then. [*Laughter*]

Now, and this goes not only for these congressional candidates who are here and your incumbents, and sending them back, also your State constitutional officers—Allen Clarke is here running for treasurer.

You and I know what it means to be in the minority party. Our candidates need Republican and Democratic votes. I'm confident we'll continue to attract that broad support. The plain truth is rank-and-file Democrats by the millions in this country don't share the bigger-and-bigger-government-is-best philosophy of the Democratic leadership in Washington—the kind of leadership that Jim Collins was talking about. Millions of grassroots Democrats have something the leaders of their party wouldn't recognize if it was sitting on their nose, and that is plain common sense. You know, when you mention common sense in Washington, you cause a kind of a traumatic shock. [*Laughter*]

These rank-and-file Democrats I'm talking about—and that we must count on for help and support because we have so much in common with them—they know you can't drink yourself sober, you can't spend yourself rich, and you can't pump the prime without priming the pump. You know something? I said that backwards. I didn't say that right at all. [*Laughter*] You can't prime the pump without pumping the prime is the way it should have been said the first time. It's a tongue-twister. [*Laughter*]

The problems of overspending, big taxing, and runaway bureaucracy that drained America's strength didn't just begin 20 months ago. You and I know these problems have been building for at least 20 years. In the 4 years before we took office, those who are now our biggest critics had total power—the White House and both Houses of Congress. They had the whole enchilada. [*Laughter*] And it was then that the problems became acute and nearly brought America down.

When Gerald Ford left office in January 1977, inflation was 4.8 percent. The prime interest rate was under 7 percent. You could get a home mortgage for 9 percent, and consumers could afford auto loans.

But then America took a giant step backward, spending and taxing like there was no tomorrow, opening the floodgates of printing press money—it increased in the last 6 months of 1980 faster than it has ever increased in our history. Those in power managed to create a crisis unlike America had ever seen before. When we took office in 1981, we faced double-digit inflation, high unemployment, 21½-percent prime interest rate, nearly a trillion-dollar debt, and the highest peacetime tax burden we had ever known.

Now, lest I be accused of exaggerating, or even being partisan, let me quote a Democratic Senator from Massachusetts. [*Laughter*] In May of 1980, Teddy Kennedy warned that under Jimmy Carter America was sliding into the worst recession since the Great Depression. Of course, he was a candidate himself then when he said that, and he didn't add that for years he has continued to be one of the biggest spenders in the United States Senate.

The bottom line in 1980 was an unacceptable decline in the wealth of the working families and senior citizens of America—the very people that our critics claim they care so much about. Government was growing like toadstools after a rainstorm, spinning out of control like a washing machine that's out of cycle. Washington grew fat by making everyone else poorer. Washington has a habit of doing that. Federal spending increased by 17 percent in 1980 alone. Not many Texas blue-collar workers, working mothers, or pensioners saw their earnings, pensions, or savings grow by 17 percent in 1980.

It's up to us to make one thing plain in this election: There is no morality in those big taxing, big spending policies which brought so much misery to so many people. Inflation is the greatest enemy of all the people and of our hopes for jobs and

growth. It's at the root of the problems that we're trying to solve today.

How did it all come about? Well, the answer to that takes us back to the Great Depression, when Government assumed a role that was entirely new to it. Government launched programs which were, frankly, experimental. And many of them did serve a purpose, because they eased the misery of people for whom there was no other answer to their problem. But it was actually not those programs but World War II that ended the Depression. When the war was over, the Government went right back to its old habits and continued to administer the medicine it had applied before the war, but the patient then was no longer in need of that medicine. Many of us had believed in those prewar remedies and, indeed, as I say, some had served us well. But in more normal times, we came to see that many of these programs were distorting the balance between the different levels of government and working against the economy.

But the leadership of the Democratic Party remained addicted to a policy of government intervention, and we're paying dearly for those past mistakes. For one thing, as I said, there is the trillion-dollar debt. The Government this year must spend $110 billion just to cover the interest on that debt. We wouldn't be worrying about a deficit if we hadn't wallowed in red ink for 21 of the last 22 years. And we wonder why it's been so hard to bring interest rates down.

Now, far too many people are out of work, and I share their ache and frustration. Every American should be aware of the economic chaos which created today's needless results, so we won't repeat our past mistakes. It's excruciating to me that there is not a quicker, easier cure for this terrible economic illness. But it was a long time coming, and it is worldwide. Indeed, we have been in the longest sustained period of worldwide inflation in the history of man. Many other countries went down the same garden path of spend, tax, and borrow. The further they went, the worse off they are today. Our administration is determined to cure the disease, not just treat the symptoms with make-work, quick fixes. And I pledge to you today that I will not be satisfied until every American who wants a job can find a job.

From our first moment in office, we've been working around the clock to make America well again. And we're opposed by those who have never given up their belief that government's economic fine tuning and tinkering is superior to the free marketplace and the abilities of a free people to run their own lives.

Well, let me tell you something. Despite their resistance, we are beginning to succeed. We've pulled America back from the edge of disaster. Yes, I'd hoped that we'd be further along by now. But make no mistake, we're better off than we were 20 months ago. The problems that were destroying America in 1980 are being confronted today, and they're paving the way for recovery.

Our first emergency priority was to beat down double-digit inflation. Until people are convinced that inflation will come down and stay down, they'll demand higher rates of interest so the dollars they lend won't lose value. Expectation of double-digit inflation caused interest rates to zoom, as I said, to 21½ percent. High interest rates made it impossible for families to get home mortgages, for consumers to carry auto loans, for firms to modernize machines to keep product prices competitive. Double-digit inflation and high interest rates crippled the economy's ability to provide the jobs our people must have, even as they squeezed the earnings and buying power, forcing more families to seek a second income in the job market.

Our program has been on the books now for just 1 year and 11 days. The inflation rate that hit a peak of 18 percent in January of 1980 has been beaten down to 5.1 percent for the first 8 months of this year. Experts said it couldn't be done. For those experts, I've got news. We're going to do even better. The prime rate has dropped 40 percent, from 21½ down to 13. And on Friday, the Mellon Bank announced it was going further, that tomorrow it will be 12¾. And that isn't the last word——

[*At this point, a 10-year-old girl fainted in the front row of the audience. She was at-*

tended to by paramedics.]

All right? We've got a doctor here. The young lady that I think that—all right. They tell me it's going to be all right.

The Federal Reserve, as you know, has dropped the discount rate from 10 to 9½ [percent] just a few days ago.

Progress against inflation and the first real tax cut for everyone in nearly 20 years have produced more savings, higher real earnings, and more purchasing power. Families' paychecks are buying more.

We hear so much in Washington about fairness and compassion. Well, we're providing compassion that never existed under the policies of the past. A family of four today on a fixed income of about $20,000 is about $1,500 better off than if inflation and taxes had stayed at the 1980 rate. But take it below that, to the family with a poverty-level income. They are $500 better off than they were at the previous rate of inflation alone, because they don't pay taxes.

Some decisions were not easy. It was going against the wind of the times to curb runaway spending. Likewise, when we went to bat for taxpayers when others before us had refused, we revived an old idea that the earnings of the people of Texas belong to them, not to government handymen in Washington, D.C. And here's what that tax commitment means to you and your family. As of when the third installment comes in July next year, it will have been a 25-percent tax rate cut. We are then indexing the tax brackets to end the bracket creep when you get a cost-of-living pay raise—doesn't improve you any, except it pushes you into a higher tax bracket; a reduction in the marriage penalty; an increase in the child care credit for working mothers; new incentives for retirement savings; raising the estate tax exemption to $600,000 for farmers and family businesses—and, of even greater help, there will no longer be any estate tax for a surviving spouse. It's not right that widows and orphans must lose a business or a farm that generations of love and toil had created, just in order to pay the government a tax because of death. And now they won't. Of course, according to our opponents, there's no compassion in this.

Our program, I think, is beginning to work. It's bringing down inflation. It's bringing down interest rates. It's increasing purchasing power, and it's promoting new savings. It's doing the things that must be done to clear away wreckage dumped in our laps by today's Monday morning quarterbacks. Yes, we will have recovery from recession, but we will not have another counterfeit recovery like before that sent inflation and interest rates right back through the roof. Unlike those before us, we're going to get the job done, and for once, we're going to get it done right.

Now, you heard the charge that our program has failed and that we must change course. Well, I have one question: Has anyone heard a single proposal by our critics who say that, as to what they would do instead?

Audience. No!

The President. Not one. They constantly criticize what we're doing, but they've offered no real alternative. If what we're doing is wrong, how do they explain the tremendous surge of investment in our equity and bond markets in the last few weeks—from small investors to those who manage billions of dollars, including workers' pension funds?

The world knows that America is on her way back. And I'm pleased to announce a little news item right here. It's just happened. At the closing bell of the stock market on Wall Street a few minutes ago, the stock market was over the magic 1,000.

Now, so some of my friends in the press, if they get a later figure won't jump on it, let me point out—[*laughter*]—the bell had rung, the market was closed, but the tape—there was so much trading, the tape was 4½ minutes behind. Now, in those 4½ minutes, if somebody sells some stocks or the price comes down, well, they take a profit. But it did pass the 1,000 mark at the bell.

Investors have watched inflation fall and interest rates drop for months. Their commitment to put cold, hard cash on the line signals a strong vote of confidence in America's future. People are beginning to understand that we mean business in this battle against inflation, and they're absolutely right.

Markets will go up and they'll go down, but the recent trend has been dramatically higher. That's important, because the stock market has traditionally been a leading indicator of what's coming down the road.

Unfortunately, unemployment is not. It's one of the last indicators to turn around. Until it does, we'll provide assistance with extended unemployment benefits. Last week, I signed an export bill that can create several hundred thousand jobs. And this week, I will sign legislation for a program to train up to a million unemployed people or more per year, for permanent, real, private sector jobs.

I think it's tragic that the House leadership recessed to campaign, leaving so much unfinished business behind, as Jim Collins told you. Enterprise zones, we've been trying to get for almost 2 years, to create jobs in the inner cities; tuition tax credits; regulatory reform; programs to crack down on crime and make our streets safe again. Let me ask you, don't you think that rather than simply campaign and complain about deficits, it's about time they proved they were willing to make the decisions that would bring down deficits?

Well, as Jim told you, they voted down the constitutional amendment to balance the Federal budget. They voted against the will of you, the people, and the financial security of every family in America.

And I just told a few people before coming out here today that immediately after that voting down of the balanced budget amendment, which all the polls showed that the people, about 80 percent of you wanted that amendment, he appeared on national television—Jim Wright appeared on national television and smilingly announced that, and then said, "Well, if the President wants a balanced budget, why doesn't he present one?"

Well, Jim Wright has been one of the prime leaders in increasing the budgets, the two budgets that I have been able to send to the Congress since I've been there. He has made them bigger with added spending than the budgets that I requested. So, I think there's a little hypocrisy in Mr. Wright's statement about the balanced budget amendment.

People don't want delay and demoguery. They want action, to reduce the burden of that terrible trillion-dollar debt on their children and grandchildren, and it's up to us to provide it. And I'm so happy that today, just like every day where I've been in this campaign, to see so many young people on hand, because they're what this campaign is all about, and the kind of country they're going to live in.

Now, you know, I have to say, of course, there are some things that are current today and sweeping the country that I haven't had time to get familiar with—Pac Man, for example. [*Laughter*] I don't know about him. I asked about it, and somebody told me that it was a round thing that gobbled up money. [*Laughter*] I thought that was Tip O'Neill. [*Laughter*]

But I want to make a request. If you believe, as I do, that too many people in Washington are out of step, if you believe that we need reforms like the balanced budget amendment, then please send us a Congress that will pass these programs so we can make this great country of ours number one once again. If the liberals do have an alternative, it's the same one they've always had, and maybe that's why they're not mentioning it. They mean to raise your taxes and give government a blank check to spend more money, and we've been down that road now for more than 20 years.

We're on a new road now. Unless we have the courage to stay on course and lick inflation for good, we'll never have lasting recovery. Our problems will grow worse than before. And that's the sad, sorry history of past decades—lost nerve and squandered opportunities.

Well, I intend to stay the course. I need your support. I want you to promise me that you will mobilize an army across this State to get out the vote for a great Republican victory on November 2d. And let us remember that we Republicans have a rendezvous in this city in 1984. Let us remember that we have a mission to renew all the dreams and opportunities that our nation was placed on this Earth to provide. And let us remember the best way to make those dreams come true is to elect Jim Collins to the Senate, your fine candidates to the

House, George Strake as Lieutenant Governor, Allen Clarke as treasurer, and to send Bill Clements back to your capital as Governor of this great State.

Thank you very much, and God bless you.

Note: The President spoke at 3:14 p.m. at Wild Briar Farm, an insurance company training facility owned by Representative James M. Collins, Republican candidate for the U.S. Senate from Texas. The President's remarks at the rally for Republican volunteers followed remarks and an introduction by Representative Collins.

Prior to the rally, the President attended a fundraising reception for Representative Collins at the farm. Following the rally, the President returned to Washington, D.C.

Remarks at the Welcoming Ceremony for President Soeharto of Indonesia

October 12, 1982

President Reagan. Mr. President, I take particular pleasure in welcoming you and Madam Soeharto to the United States and to the White House. And Mrs. Reagan joins me in extending personal hospitality on this important occasion.

You're no stranger to these shores, Mr. President, having visited the United States twice before as leader of your great nation. As one of the world's longest serving chief executives, indeed, as a senior statesman of Asia, your views on world affairs carry special authority and add special meaning to our discussions today. Your viewpoints and wise counsel will be greatly appreciated.

I warmly recall my last meeting with you, Mr. President. My visit to Jakarta and private talks with you in 1973 were among the highlights of my international experience as Governor of California. And although I have not had the opportunity to visit your country since then, I know of the great strides made by Indonesia in national building under your leadership.

I'm sure that our talks during your state visit will further strengthen the bonds of friendship and mutual respect between our two countries. The United States applauds Indonesia's quest for what you call "national resilience." No nation in our era has shown itself more firmly committed to preserving its own independence than Indonesia; and yet, no nation has pursued that goal in a more responsible manner.

Indonesia has lived by and brought credit to the concept of genuine, constructive nonalinement. The United States, too, fought for its independence and over the years has jealously guarded certain fundamental principles. We, consequently, understand the striving of Indonesia for national resilience. We wholeheartedly respect it. It is this respect which lies at the heart of our excellent bilateral relationship.

President Soeharto, the challenges confronting our nations are great indeed. Both strive for world peace, whether in important areas of Asia such as Kampuchea, or in the Middle East, where particularly vexing problems await lasting solutions. The United States regards Indonesia as an important force for peace, stability, and progress. We value our bilateral relationship with your country most highly, and we hope to broaden and deepen that relationship.

On the economic front, I believe it is in the clear interest of both our countries to maintain and improve our economic and trade relations. Mutually beneficial economic cooperation, equitable two-way trade, and investment in enterprises which involve the transfer of technology to meet your country's pressing development needs are part of the fabric of healthy U.S.-Indonesian economic relations.

The United States will also continue to provide appropriate development and food assistance in the framework of the Intergovernmental Group of Indonesia. I am proud to say this consortium has had wholehearted American backing since its founding. Let

me also assure you that the United States wishes to pursue actively joint collaboration in science and technology for the economic development of your country.

It is particularly fitting today to make special mention of the Association of South East Asian Nations, ASEAN, and of Indonesia's important role in it. The success which ASEAN has enjoyed during the 15 years—or 16 years of its existence would have been impossible without Indonesia's farsighted and enthusiastic participation. As one of ASEAN's founding fathers, Mr. President, you deserve a great measure of credit for the accomplishments of that organization in the economic and social areas. These accomplishments have far surpassed the expectations of most observers a decade and a half ago when ASEAN was established.

Since that time, the most important milestone for ASEAN has been the 1976 summit meeting in Bali, which demonstrated your personal commitment. Indeed, ASEAN now stands as a model for regional cooperation and, if I may use your term, Mr. President, of regional resilience. Let me assure you that support for ASEAN has been and will continue to be the keystone of American policy in Southeast Asia.

As we pursue our overall policy in Asia and the Pacific, we will never lose sight of ASEAN's concerns or neglect our commitments to the ASEAN countries. Let me also stress our full support for the important initiatives which ASEAN has undertaken to resolve the tragic situation in Kampuchea.

I also extend a special warm welcome to Madam Soeharto. Her good works on behalf of charitable organizations for handicapped, needy, and disadvantaged people are recognized at home and abroad. These activities are in line with the spirit of voluntarism which Mrs. Reagan and I have encouraged in our own country.

And, once again, I welcome you, President Soeharto, and you, Madam Soeharto, in a spirit of friendship and respect. Mrs. Reagan and I are personally delighted with your visit. Welcome to Washington and, again, welcome to the White House.

President Soeharto. Your Excellency, Mr. President, and Mrs. Reagan, ladies and gentlemen:

I'm deeply moved and would like to extend my heartfelt appreciation for the warm hospitality accorded me at this moment, and also by the kind words of Your Excellency, Mr. President. All of this reflects the profound sense of friendship existing between our two countries and, indeed, it is to promote the close, friendly relations and to reinforce the mutual understanding between our two countries that truly become the principal objective of my visit to this great country.

My present visit to the United States is actually for the third time. I have deep impressions about my previous visits, particularly from the exchange of views with prominent leaders of this country and leaders of various circles. These have all added to my understanding about the United States, namely its views, its attitude, and its steps.

Today, 7 years have passed since my last visit to this country. The world has changed considerably. The political and economic map of the world has undergone great changes. This is the reason, Your Excellency, that on my current visit to the United States, I will use it to have an exchange of views with Your Excellency and leaders of this country based on identical, fundamental attitudes of aspiring for a world which is more peaceful and prosperous for the whole of mankind. I attach great importance to this visit, because the world is presently undergoing various, successive upheavals that are long drawn out. Our two countries and all countries in the world have the common responsibility to exert all their will and ability to overcome those upheavals for the sake of the tranquility and the safety of all.

With a different weight, because our respective capabilities are also different, our two countries should nevertheless have the common duty and hold the responsibility of contributing to the efforts of preserving world stability and peace in order that we can bequeath a better world—a world filled with peace, prosperity, and justice—to generations which hold together the future of the world.

It is my sincere hope that my visit to the United States this time will further reinforce the bonds of friendship and enhance

the mutual understanding between our two countries, as well as expand the cooperation in various fields which are mutually beneficial to both our peoples.

Thank you.

Note: President Reagan spoke at 10:10 a.m. on the South Lawn of the White House, where President Soeharto was accorded a formal welcome with full military honors. President Soeharto spoke in Indonesian, and his remarks were translated by an interpreter. Following the ceremony, the two Presidents met in the Oval Office.

Nomination of Two Members of the Advisory Committee for Trade Negotiations

October 12, 1982

The President today announced his intention to nominate the following individuals to be members of the Advisory Committee for Trade Negotiations for terms of 2 years:

Richard Edwin Heckert is serving as vice chairman of the DuPont Co. in Wilmington, Del. He is married, has two children, and resides in Kennett Square, Pa. He was born January 13, 1924.

Gerald E. Kremkow is president of E. F. Hutton Development, Inc., in Los Angeles, Calif. He is married, has one child, and resides in Honolulu, Hawaii. He was born January 21, 1942.

Remarks on Signing the Missing Children Act and the Victim and Witness Protection Act of 1982

October 12, 1982

Ladies and gentlemen, I am signing two bills that will provide peace of mind, I think, to many of our citizens. This first bill will begin to address the tragedy of America's missing children. Every year in this country thousands of children disappear from their homes. The Missing Children Act will reassure parents that every effort is being made to find, or in more tragic circumstances, to identify their children.

Finding missing children has become a national problem. Because of overlapping jurisdictions and the lack of centralized information, parents of missing children have faced frustration and anger in their attempts to locate their children. Furthermore, State and local officials are often unable to identify bodies simply because of restrictions on missing person reports from other jurisdictions.

The Missing Children Act attempts to lessen these problems by mandating a system to allow parents access to a central computer file designed to help trace missing children. The act also will aid in identifying deceased children and adults and at least ease the parents' pain of not knowing. I want to thank the Congress, and particularly Senator Paula Hawkins, Congressman Clay Shaw, for making it possible to sign this compassionate measure. And with me here today are some individuals who've committed their lives to the cause of missing children. John and Reve Walsh of Hollywood, Florida, came to the cause of all exploited children because of their own family tragedy. And their courage, in the face of what surely must be the most difficult grief imaginable, has rallied thousands of others to this noble effort.

I'm also pleased to sign this law in the presence of Sergeant Richard Ruffino, who is recognized as an expert in missing persons with the Bergen County, New Jersey, sheriff's office. Sergeant Ruffino has contributed countless hours of his own time in the

effort to assist searching parents.

The second bill I will sign also deals with compassion—our compassion toward those Americans who are the victims of or witnesses to crime. It is high time the legal system showed the honest citizen as much concern as it does the criminal. Today it is not the wrongdoer who falls through the cracks of our criminal justice system; too often, it is the innocent victim and the dutiful witness.

As the bill states, without the cooperation of victims and witnesses, the criminal justice system would cease to function. Yet, with very few exceptions, these individuals are either ignored or simply used as tools to identify and punish offenders. All too often the victim of a serious crime is forced to suffer physical, psychological, or financial hardship, while the criminal justice system remains unresponsive to the victim's real needs. And while the defendant is provided with counsel who can guide him through the criminal process, the victim or witness is usually not even told when the defendant is released on bail, the case is dismissed, or the court date is changed. Neither is there accurate [adequate] protection from law enforcement agencies when a victim or witness is threatened or intimidated as a result of cooperating with authorities.

Common sense tells us something is not right there. Common sense tells us we should do something about it. And this legislation, the Victim and Witness Protection Act, seeks to return some balance to our criminal justice system without infringing upon the rights of the defendant.

The provisions of this act would require that a "victim impact statement" be filed to aid the judge in sentencing the criminal. The act makes it a Federal offense to intimidate or retaliate against victims or witnesses of Federal crime. It requires a Federal judge to order restitution when passing sentence for crimes involving bodily injury or property loss, or else to state for the record his reasons for not doing so.

These measures will go a long way toward treating victims and witnesses with the fairness and respect they deserve. And again, the Congress, and particularly Senators Heinz, Mathias, and Specter, and Congressmen Fish, McClory, and Rodino, deserve a vote of thanks from the American people for getting this bill to my desk.

And by the way, forgive me for continuing on another subject to spot hopeful news. I was mighty pleased to see another burst of sunshine this morning. Morgan Guaranty Trust has lowered their prime interest rate all the way down to 12 percent. I think that's one more confirmation that we're on course here.

But now, I'm going to sit down and get those bills signed so that they will become law. And hopefully, because this applies to Federal cases, let us hope that many States now will follow this pattern in regard to the second bill, particularly.

Note: The President spoke at 1:02 p.m. at the signing ceremony in the Rose Garden at the White House.

As enacted, H.R. 6976 is Public Law 97-292, the Missing Children Act, and S. 2420 is Public Law 97-291, the Victim and Witness Protection Act of 1982, both approved October 12.

Proclamation 4984—National Port Week, 1982

October 12, 1982

By the President of the United States of America

A Proclamation

Ocean, Great Lakes, and inland river ports and terminals are among our most important national assets. They have contributed substantially to the shaping of our early history as a Nation and fostered the industry and trade which helped build many of America's great cities.

Today our ports are vital links in the total transportation system which serves this Na-

tion's domestic and international trade. Their continued development is indispensable to our economic and military security. In 1981 port industry handled over two billion short tons of waterborne commerce in foreign and domestic trade; added $6.5 billion to the United States Treasury from U.S. Customs Service collections; and contributed over $35 billion to the gross national product and over $1.5 billion to the balance of payments accounts.

To meet the needs of expanding waterborne commerce, billions of dollars have been invested in new and expanded facilities by non-Federal entities representing State and local authorities and private industry.

In recognition of the importance of our ports to the Nation's economy, security, and welfare, the Congress has, by Joint Resolution, designated the first week in October 1982 as "National Port Week."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate the seven calendar days beginning October 3, 1982, as "National Port Week." I invite the Governors of the several States, the chief officials of local governments, and the people of the United States to observe this with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this twelfth day of October, in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 1:22 p.m., October 12, 1982*]

Toasts of President Reagan and President Soeharto of Indonesia at the State Dinner

October 12, 1982

President Reagan. Well, tonight, we welcome good friends back to the White House, friends who have been too long absent.

In the years since your last visit, President Soeharto, much has transpired in your country and in ours, and in Asia and the Pacific, where we both share so many interests. Yet, during these dynamic and often turbulent years, there have been elements of stability, important elements.

Foremost among these has been the wise and steadfast leadership which you have given Indonesia since 1966. Out of a period of uncertainty and disorder, you have guided your country into the forefront of the Asian community of nations and made its influence felt throughout the world.

You will pardon me I hope, Mr. President, if I recognize here tonight what is already apparent to the nations of the world—that Indonesia, under your leadership, has assumed its rightful position as a great nation of Asia and of the world.

The second factor of stability since the 1960's, Mr. President, has been the excellent bilateral relations which have existed between Indonesia and the United States. Our relationship has stood the test of time in a changing world. It's firmly rooted in mutual respect and a clear-sighted recognition of where the interests of both our nations lie.

Mr. President, I fully share the importance that you attach to the further strengthening and expansion of the relationship between our two countries. To that end, it is my pleasure to announce tonight my decision to nominate as my personal representative to your government someone well known to you, and in whom I have the utmost confidence, Assistant Secretary John H. Holdridge.

As you are aware, Assistant Secretary Holdridge is our most senior diplomat experienced in East Asian affairs. In commending him to the Senate for its advice and consent, I shall do so assured that no one is

better qualified to continue, on my behalf, the frank and mutually beneficial dialog which has marked your visit here, and which is so essential to the advancement of mutual understanding between our two countries and the achievement of our common purposes.

During our most fruitful discussions today, I've had the benefit of your experience and insight. You've clearly outlined the great challenges facing your country, the Association of South East Asian Nations, and the other nations of Asia which seek to live in peace. I come away from our talks more convinced than ever that we share this common view: that the greatest need for the countries of Southeast Asia is for rapid, equitable development free from outside interference and in an atmosphere of peaceful change.

I also appreciated your views on the situation in the Middle East. The special interests of both our nations in that troubled region make it imperative that peace be pursued vigorously. Lasting solutions will not come easily, however, and I earnestly ask that all nations support efforts in this pursuit of peace.

In our talks, we devoted much attention to global economic recovery. I'm convinced the world economic conditions will improve with national self-restraint and sound financial management for continued growth. These qualities have characterized Indonesia's economic policies since 1966 and serve as a persuasive example for other nations of the developing world.

I would also take note of the important role which Indonesia plays in the Association of South East Asian Nations. In our view, ASEAN offers the best hope for the fulfillment of national aspirations in the region, and it provides an important example of common purpose for us all.

Finally, I wish to compliment the wide range of charitable and humanitarian programs inspired by Madam Soeharto.

Nancy and I personally wish you both good health and the utmost success in realizing the aspirations of your people.

President Soeharto. Your Excellency, Mr. President, and Mrs. Reagan, distinguished ladies and gentlemen, once again, I would like to express my heartfelt appreciation for the warm welcome and hospitality accorded me during my present visit to the United States in accepting the invitation of Your Excellency, Mr. President.

Your kind words, Your Excellency, have impressed me as indication of the close friendly relation and mutual understanding between our two countries. As I have said this morning, Your Excellency, the main purpose of my current visit is to reiterate the friendship between our two countries.

Your Excellency, Mr. President, the friendship between our two countries has a solid foundation because of the similarity of our two nations with regard to the noble values which we hold dearly—such as freedom and independence, democracy and humanitarianism. We perceive the manifestation of such friendship from the deep understanding and support of the American nation when we struggled for and defended our national independence 37 years ago. We acknowledge such deep understanding again are, among other things, the willingness of the United States, together with other IGGI [Inter-Governmental Group on Indonesia] countries a dozen of years ago, to assist our economic and social development.

For all this, I would like to avail myself of this opportunity to extend once again the highest appreciation of the Government and people of Indonesia to the Government and people of the United States of America.

We consider that the problem of development that we face is also actually a part of the problem of the human race. If until now, two-thirds of the human race are still striving in the struggle against poverty, backwardness, ignorance, and disease, this clearly indicates the real situation of what I have said earlier. It is, therefore, necessary to create an international climate that enables the unhindered development of all nations. But today such a climate is still far from expectation. Today the world is suffering from a long, drawn out economic recession beside the upheavals occurring in various regions.

Indeed, there have been many efforts made to overcome these various disturbances. But the outcome has not ensured its total solution. In the framework of trying to

find a fundamental solution and to achieve an overall improvement of the inequalities in the world, the one and only answer is that all nations, big or small, strong or weak, strive together, motivated by the firm determination to build a new world order which guarantees political justice, economic justice, and social justice.

Unavoidably, it must be the common stand and concerted efforts of all nations on our unitary planet, because with the growingly closer relation amongst nations, due to the progress brought about by the human civilization at present and in the future, whether we like it or not, we must consider the world as the common homeland of all nations.

I'm aware that it is not easy to build a new world order. There must be, therefore, concrete steps which will at least prevent the deterioration of world developments, which may cause our solitary world to fall into the abyss of greater disaster, which may probably terminate the history of man and mankind. In such a world situation, filled with anxiety, obviously the world's attention, particularly of the developing countries, is focused for its umpteenth time on the United States.

We hope and believe that under the wise leadership of Your Excellency, Mr. President, the United States will try unceasingly to create world stability and peace and to prevent catastrophe to the human race. The strengths of this great nation, its glorious past history, its commitments to mankind, provide ample chance to the United States to play an important role in the endeavors of the whole of mankind to create a stable, peaceful, and prosperous world.

It is primarily to carry the common responsibility of creating such a world that I consider as highly significant the exchange of views that I have had with Your Excellency, Mr. President, and other American leaders during my current visit. I am convinced that my present visit will further reinforce the friendship, enhance the mutual understanding, and expand the cooperation between our two countries, particularly in the economic field.

In conclusion, permit me to kindly invite the distinguished guests to raise your glass and join me in a toast to the health and happiness of His Excellency, Mr. President, and Mrs. Reagan, to the prosperity of the people of the United States of America, and to the everlasting friendship between our two countries.

Thank you.

Note: President Reagan spoke at 9:50 p.m. in the State Dining Room at the White House. President Soeharto spoke in Indonesian, and his remarks were translated by an interpreter.

Nomination of John H. Holdridge To Be United States Ambassador to Indonesia

October 12, 1982

The President today announced his intention to nominate John H. Holdridge to be Ambassador of the United States to the Republic of Indonesia. He would succeed Edward E. Masters.

Mr. Holdridge has been serving as Assistant Secretary of State for East Asian and Pacific Affairs since May of 1981. In 1948 he first joined the State Department and after being detailed to Chinese language training at Harvard and Cornell, he was assigned overseas to Bangkok (1950). His assignment there was followed by tours in Hong Kong (1953) and Singapore (1956) before he returned to Washington as an international relations officer (1958) and, subsequently, as officer in charge of political affairs for China.

He returned to Hong Kong to head the political section in 1962 for 4 years before becoming the Department's Deputy Director and Director for Research and Analysis for East Asia and the Pacific. He received a superior honor award in 1967 for these

duties. In April 1968 he was detailed to the National Security Council, where he served as the senior staff member for the Far East.

In 1973 he moved to Beijing as Deputy Chief of Mission of the U.S. Liaison Office. During this tenure he received the Department's Christian Herter award for his reporting and analysis of events in China. In July 1975 he became Ambassador to Singapore, a post he held for 3 years prior to his return to Washington and his duties as the national intelligence officer for East Asia in the National Intelligence Council.

He graduated from the United States Military Academy (B.S., 1945). He is married, has three children, and resides in Bethesda, Md. He was born in New York City on August 24, 1924.

Proclamation 4985—National Newspaper Carrier Appreciation Day
October 12, 1982

By the President of the United States of America

A Proclamation

Every day nearly 100 million Americans read a newspaper that has been delivered to their homes by a newspaper carrier. The estimated one million newspaper carriers in our Nation, the great majority of whom are 18 years of age or younger, perform an essential service in the dissemination of information that is so vital to the functioning of a free society.

In all kinds of weather, and often in hours of darkness, these young people make their appointed rounds. Most of them are engaged in their first venture in American enterprise, their initiative and devoted efforts enhancing the quality of life in our Nation.

In recognition of the contribution of newspaper carriers in our society, the Congress of the United States has, by Senate Joint Resolution 239, designated October 16, 1982, as National Newspaper Carrier Appreciation Day.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate October 16, 1982, as National Newspaper Carrier Appreciation Day.

In Witness Whereof, I have hereunto set my hand this 12th day of Oct. in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 11:14 a.m., October 13, 1982*]

Note: The text of the proclamation was released by the Office of the Press Secretary on October 13.

Proclamation 4986—National Farm-City Week, 1982
October 12, 1982

By the President of the United States of America

A Proclamation

Each year our hardworking farmers produce enough food and fiber to feed and clothe the people of America as well as those of many other countries. This nation is indeed fortunate to be blessed with such a productive farming system.

Many of our fellow countrymen, however, have had little exposure to the miracle of American agriculture—fewer than three percent of the nation's people feed and

clothe the other ninety-seven percent. Caught up in the fast pace of urban life, city dwellers often take for granted the quiet and efficient regularity with which their rural counterparts sustain an entire population with such a plentiful supply of food and fiber.

Our future as a prosperous nation depends on our ability to keep a large number of interrelated parts working in harmony. Our farms and cities are inextricably connected by a great marketing chain of producers, transporters, processors, warehousemen, wholesalers, retailers, and consumers. This free market process will remain viable as long as its various links are strong enough to make their contributions to moving goods and services where they are needed. As the anchor points of this chain, farmers and city dwellers are absolutely crucial to each other.

To achieve a deeper appreciation of the interdependence of farms and cities, we set aside each November a Farm-City Week during which we call attention to the farmer-city dweller partnership which has contributed so much to the vitality and prosperity of our nation.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate the period November 19 through November 25, 1982, as National Farm-City Week. I call on all Americans, those in rural areas and those in cities, to join in recognizing the accomplishments of our productive farm families and of our urban residents in working together in a spirit of cooperation and interdependence to create bounty, wealth, and strength for the nation.

In Witness Whereof, I have hereunto set my hand this 12th day of Oct., in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 11:15 a.m., October 13, 1982*]

Note: The text of the proclamation was released by the Office of the Press Secretary on October 13.

Remarks on Signing the Job Training Partnership Act
October 13, 1982

The President. Well, hello and welcome to all of you. It's wonderful to have you here and to see you joining in this important step forward for America.

Twenty-one months ago this country was in the grip of not one, but five severe problems: runaway government spending, double-digit inflation, record high interest rates—they'd just hit 21½ percent—the worst tax burden in peacetime history, and high unemployment. With support from the American people we put in place a program that was designed to cure this raging economic disease which had been ignored for too many years. Little more than a year's passed since our program went on the books, but already we've made solid progress against four of the five problems that we inherited.

We have cut the growth of spending somewhere around in half, and we've reduced high inflation, high interest rates, and taxation. But let me just say something here about interest rates, which I'll expand on in my speech to the Nation tonight.

The very sharp and heartening decline that we've seen in interest rates brings us one step closer to the dream every American shares, which is lasting recovery. But let's understand that what brought, for example, Government-backed home mortgages down to 12½ percent, the lowest level in 25 months, was not a quick fix, but our progress against inflation. The decline in inflation led directly to the fall in interest rates during the last several months. The Federal Reserve Bank announced last week that it was lowering its discount level to 9½

percent. That's the first time this key interest rate has been a single digit since 1979 and the fifth reduction in the rate in 4 months.

The Fed's lower rate shows its confidence that inflation and market interest rates are continuing to fall. The Federal Reserve has been pursuing a steady policy of trying to reduce inflation, and we've been supporting the Fed in that policy. And the Fed will continue to aim its policy at bringing inflation down further in the future. And that will continue to mean lower and lower interest rates as well.

As I said, we're solving four of the five worst problems that we inherited. But unemployment, always the lagging indicator, remains too high, and clearly, our most urgent priority today is to create lasting, private sector jobs. I'm not going to rest until every American who wants a job can find a job.

Unemployment is a tragedy for all Americans in every region, every city, and every line of work. We need the strength of every back and the power of every mind to lift our nation from the economic swamp to higher ground. We must not waste the energy of one citizen who wants to work.

All of us are moved by the plight of millions of our people who can't find jobs or provide for their families. Perhaps the cruelest trap of all has caught the legions of our youth. As they stand on the threshold of the American dream, far too many find the door of opportunity slammed in their face. Two out of every five people out of work—two out of every five—are between the ages of 16 and 24.

We continue to push for enterprise zones in our inner cities, a program to attract new businesses and jobs to areas of highest unemployment. It's tragic that this enterprise zone proposal has been bottled up in committee by the leadership of the House.

I remember what it was like to be 21 years old and looking for a job in 1932. And I know how it feels when your future has been mortgaged by the generation before you. And that's a tragic mistake we must never allow our leaders to make again. Today's young people must never be held hostage to the mistakes of the past.

The only way to avoid making these mistakes again is to learn from them. It's estimated, for example, that at least 20 million American workers now rely on skills that won't be needed within 20 years. The government has trained thousands more in skills that already aren't needed in their communities. Still others have been steered into make-work government for our young people. And that's why I'm proud today to sign into law the Job Training Partnership Act, a program that looks to the future instead of the past.

This is not another make-work, deadend, bureaucratic boondoggle. This program will train more than one million Americans every year in skills they can market where they live. It'll make a difference on Main Street. It'll provide help, bring hope, and encourage self-reliance and personal initiative. And here's how it'll work.

State and local government officials, business and labor leaders, and other members of the private sector will plan area programs in private industry councils. Local people will decide at the grassroots level what opportunities are available in their communities, and then match real jobs with needed skills.

And here's something else that makes this program different from many past failures. At least 70 percent of the program funds will go to actual job training. We're eliminating the bureaucratic and administrative waste that has marked so many so-called job bills in the past.

There's another reason for confidence in this measure. It's based on a tried and tested concept. The young people that are with me here today have already benefited from local programs very similar to the one we're about to enact nationwide. And I'm going to give some examples.

Emmanuel Clark—here a high school student from Richmond. He learned clerical skills and found a part-time job in a law firm because of New Horizons, a training program in this area.

Bienvenido Martinez, who came to the United States from the Dominican Republic, received on-the-job training sponsored by the Washington, D.C., Private Industry Council and now works part-time as a computer operator while attending college. A

little while ago I told him what a change this was between generations, because I worked my way through college washing dishes in the girls' dormitory. [*Laughter*]

And Paige Davis, who once supported three children on unemployment benefits, enrolled in the Urban League Word-Processing Training Program. She graduated in 1979, began work for the Booker T. Washington Foundation, and did so well that—she told me a little earlier—she's starting a business of her own as a consultant in word-processing.

Now, these are just three examples of the opportunity this approach holds for millions of Americans. Long-time workers who've lost their jobs because of new technology, women who can't find work because their home-making skills aren't marketable, young people who aren't hired because they have no experience—all will be helped by this program.

And let me just add a special word of thanks to Senators Hatch and Quayle and Kennedy and Congressmen Jeffords, Erlenborn, and Hawkins for their leadership in getting this legislation passed.

And now, if you young people will just pay attention—or gather around close, I'm going to sign the bill. That's the bill. I only sign the last page.

[*At this point, the President signed the bill.*]

Reporter. Well, you know the Democrats are calling this blatant election-year politics, Mr. President.

The President. That doesn't surprise me a bit. [*Laughter*] But it doesn't make it any more true.

Q. Is it true, Mr. President?

The President. What?

Q. Is it true?

The President. No.

Q. Why not?

The President. Because this is the type of program that we've been talking about that's really going to accomplish something.

Deputy Press Secretary Speakes. That's enough. It's not a press conference. I'm sorry.

The President. Isn't he mean? [*Laughter*] I was enjoying it.

Q. But you're free to continue, sir. [*Laughter*]

Q. You're the President.

The President. No, I can't do that. But I want you to know though, as I say, all these young people are an example of what these kind of programs can do, and out there government has a legitimate function. But that legitimate function, I think, in this area means cooperating and working with the private sector, where the jobs with a future really are.

And thank you all for being here.

Note: The President spoke at 12:07 p.m. at the signing ceremony in Room 450 of the Old Executive Office Building.

Present at the ceremony was a group of people who were recipients of job training or had received job training similar to that proposed in the Job Training Partnership Act. Earlier, the President had met with the group in the Cabinet Room at the White House.

As enacted, S. 2036 is Public Law 97-300, approved October 13.

Appointment of Vincent C. Gray as a Member of the President's Committee on Mental Retardation

October 13, 1982

The President today announced his intention to appoint Vincent C. Gray to be a member of the President's Committee on Mental Retardation for the remainder of the term expiring May 11, 1983. He would succeed A. Omie Brown.

Mr. Gray is currently serving as executive director of the D.C. Association for Retarded Citizens. He was elected president of the National Conference of Executives of Associations for Retarded Citizens in 1979. He is vice chairman of the Mayor's Com-

mittee on the Handicapped and is a member of the D.C. Advisory Council on Vocational Education.

He graduated from George Washington University (B.A., 1964; M.A., 1966). He is married, has two children, and resides in Largo, Md. He was born November 8, 1942.

Statement by Deputy Press Secretary Speakes on the Situation in Poland

October 13, 1982

On this sad anniversary of 10 months of martial law in Poland, the apparently spontaneous actions of the workers in Gdansk and elsewhere speak eloquently of their support of democracy and free trade unions. At the same time, the Government's actions speak just as clearly of their position on those issues and underline the validity of the President's views on the situation in Poland as he addressed them Saturday. Clearly the workers are expressing their will and determination to have a say in their own future, particularly in the wake of the Government's de-legalization of an organization which had represented the vast majority of all Polish workers.

Note: Deputy Press Secretary Larry M. Speakes read the statement to reporters during his daily press briefing in the Briefing Room at the White House.

Address to the Nation on the Economy

October 13, 1982

My fellow Americans:

In recent days all of us have been swamped by a sea of economic statistics—some good, some bad, and some just plain confusing. There are times when I think that the paper traffic that crosses my desk in a week could fill a big-city phone book, and then some.

The value of the dollar is up around the world. Interest rates are down by 40 percent. The stock and bond markets surge upward. Inflation is down 59 percent. Buying power is going up. Some economic indicators are down; others are up. But the dark cloud of unemployment hangs over the lives of 11 million of our friends, neighbors, and family.

At times, the sheer weight of all these facts and figures make them hard for anyone to understand. What do they really mean, and what can we do to make them better?

Well, the first step is to understand what they mean in human terms—how they're affecting the everyday lives of our people, because behind every one of those numbers are millions of individual lives—young couples struggling to make ends meet, teenagers looking for work, older Americans threatened by inflation, small businessmen fighting for survival, and parents working for a better future for their children.

All of them have one thing in common. They're Americans who love this country of ours and want to make it a better place. They're brave, hard-working people who know that America today faces serious problems that were long years in the making. And they're desperately trying to make sense out of all the statistics, slogans, and political jargon filling the airwaves in this election year. Above all, they're concerned citizens who are looking for guideposts on the road to recovery—for ways to help see our country through to better times.

I know because I hear from hundreds of them every day—in meetings here at the White House; on visits to schools, meeting halls, factories, and fairgrounds across the country; and in thousands of phone calls and letters. I only wish I could share with you tonight all that they have to say—their hopes, their fears, their concerns, and most of all, their quiet, patient courage. But let me just give you one example that speaks for so many of you, a letter from a wife and mother named Judith, who lives in Selma, Alabama.

"Dear Mr. President," she writes, "It's 3:45 a.m., and for over an hour I've been unable to sleep . . . this morning I need very much to believe in something . . . I'm not writing so much as an individual, but as a representative of so many. We need to talk with you—to believe that you hear us . . .

"After years of training and experience, we can't find jobs. National unemployment figures sound almost healthy next to the almost 19 percent we're enduring in Selma.

"The costs for basic survival are nearly beyond belief . . . there may never be a house—home of our own—that dream we've worked for for so many years . . . We have said 'no' to so many things . . . we're afraid and confused. We've worked hard—we conserved—we planned—we were frugal—careful. We feel so out of control. We don't want a handout—we just want to help make the system well again.

"We must know that in the tons of bureaucracy . . . we've not been lost . . . we want to help. We want a better life, and we're willing to work for it. We believe. We must—it's all we have."

Well, Judith, I hear you. And millions of other men and women like you stand for the values of hard work, thrift, commitment to family, and love of God that made this country so great and will make us great again. And you deserve to know what we're doing in these very difficult times to bring your dream, the American dream, back to life again, after so many years of mistakes and neglect.

Tonight, in homes across this country, unemployment is the problem uppermost on many people's minds. Getting Americans back to work is an urgent priority for all of us and especially for this administration. But remember, you can't solve unemployment without solving the things that caused it, the out-of-control government spending, the skyrocketing inflation and interest rates that led to unemployment in the first place. Unless you get at the root causes of the problem—which is exactly what our economic program is doing—you may be able to temporarily relieve the symptoms, but you'll never cure the disease. You may even make it worse.

I have a special reason for wanting to solve this problem in a lasting way. I was 21 and looking for work in 1932, one of the worst years of the Great Depression. And I can remember one bleak night in the thirties when my father learned on Christmas Eve that he'd lost his job. To be young in my generation was to feel that your future had been mortgaged out from under you, and that's a tragic mistake we must never allow our leaders to make again. Today's young people must never be held hostage to the mistakes of the past. The only way to avoid making those mistakes again is to learn from them.

The pounding economic hangover America's suffering from didn't come about overnight. And there's no single instant cure. In recent weeks, a lot of people have been playing what I call the "blame game." The accusing finger has been pointed in every direction of the compass, and a lot of time and hot air have been spent looking for scapegoats. Well, there's plenty of blame to go around.

The problems we face are bigger than any one party or group of people. They're the result not of weeks or months, but of years, even decades of past mistakes. The problem isn't who to blame; it's what to blame. So, tonight, let's forget about party politics and take a look at how our country got into this fix and what we can do to get her out of it.

When I said this problem was years in the making, I wasn't just using a figure of speech. This chart shows you what I mean. You see that red line? It represents the rate of unemployment from 1968 through the present, and it tells us two important things. First of all, it's a jagged line, repre-

senting rises and dips in unemployment as our economy passed through boom periods and bust periods over the past decade. This reminds us that the current recession is part of a long series—a series that hasn't stopped, because in the past, when the crunch came, too many in government resorted to quick fixes instead of getting to the root cause.

Each time they applied the quick fixes, unemployment dipped for a while, only to take off again. In that sense, you could say that we've been on a decade-long roller coaster ride. The only difference is that on a roller coaster you end up on solid ground once the ride is over. As you can see from the chart, while unemployment zig-zagged from year to year, its long-term direction kept notching upward. Notice that each so-called recovery left unemployment higher than before the recession.

In 1968 unemployment stood at 3.6 percent. In 1971 it shot up to 5.9 percent. Then it started coming down again, but instead of going all the way back to 3.6 percent, it bottomed out at 4.9 percent. In 1974 it started shooting up again, and the same thing happened. It bottomed out at a higher level than before. In other words, for all its short-term ups and downs, the unemployment roller coaster was really an escalator, edging its way up the charts throughout the last decade. Unless we reverse that trend, it can only get worse—not just for us but for our children and grandchildren.

Now let's look at what's behind this bad trend in unemployment. What's been causing it for over a decade? A second chart tells much of the story. But before we look at it, I'll bet many of you have already come up with the answer. It's a phenomenon that, last year, a majority of Americans correctly identified as our single most pressing long-term problem: inflation.

Inflation and the high interest rates it leads to are the real culprits. They create the economic climate that leads to unemployment.

This blue line represents inflation. Like unemployment, inflation has zig-zagged over the last decade, but you can see that, up to now, the long-term trend has been upwards. Again, as with unemployment, the old quick fixes simply did not work. Each time they were applied, they gave a little temporary relief to the patient, but left him weaker than he was before.

It's a consistent pattern. Each time inflation has shot up since 1969 there has been a deadly, delayed reaction of rising unemployment. Inflation is like a virus in the economic bloodstream, sometimes dormant and sometimes active, but leaving the patient weaker after every new attack.

My fellow Americans, we've got to stop these trendlines to disaster.

To do that, we have to understand what causes them. Well, for starters, our Federal Government has been living beyond its means for more than a generation. One of the wisest of our Founding Fathers, Thomas Jefferson, warned that the public debt is "the greatest of dangers to be feared." He believed that is was wrong for one generation to forever burden the generations yet to come, and for the first 150 years of our history, our leaders heeded Jefferson's warning.

But not lately. In our lifetimes we've seen government spending rage out of control. We've only had one balanced budget in the last 22 years. So, now we're staggering under a trillion-dollar debt. This year, before government can spend one dime to feed the hungry, care for the sick, or protect our freedom, it must plan to spend $110 billion just to pay interest on that debt. And still the big spenders wonder why the American people want what a stubborn minority in the House of Representatives denied them just 12 days ago: a constitutional amendment to balance the budget.

All of this government spending and red ink can only spawn higher taxes and whopping deficits which for nearly two decades led to inflationary increases in the money supply. Inflation and massive government borrowing drive up interest rates. That makes it difficult or impossible for families to get the credit they need to buy homes, cars, and appliances or for businesses to invest in greater productivity. And ultimately inflation leads to recession and unemployment.

We've had eight recessions since World

War II. At the bottom of it all is inflation, government-caused inflation. Over the years our leaders adopted something called the new economics based on a belief that a little inflation each year created prosperity. But each time the economic disruption caused by inflation triggered another round of recession and high unemployment. The government reacted not like your family would, by putting its own house in order, but by spending, borrowing, and printing more money.

Unemployment would dip for a time, but the same quick fix that temporarily eased unemployment was sending inflation back through the ceiling. It was a vicious cycle. Too many people played politics with the economy for too long, and those twin disaster lines kept inching ominously upward, bringing our society closer and closer to catastrophe.

In a way I guess I can understand why so many of our political leaders fell into this trap. I'm sure they did it with the best of intentions. It's easy to lose touch with reality when it is other people's money that you're spending. And there are so many things you want to do for those or this or that special-interest group—so many programs, many of them quite attractive and well-meaning, that can only be subsidized by more government taxing, spending, and borrowing. I can understand how it happened. Indeed, like many others, for a time I accepted government's claim that it was sound economics. But there came a day when I and millions of other Americans began to realize the terrible consequences of all those years of playing politics as usual while the economic disaster lines crept higher and higher.

Well, at my age I didn't come to Washington to play politics as usual. I didn't come here to reward pressure groups by spending other people's money. And most of all, I didn't come here to further mortgage the future of the American people just to buy a little short-term political popularity. I came to Washington to try to solve problems, not to sweep them under the rug and leave them for those who will come later.

A President's greatest responsibility is to protect all our people from enemies, foreign and domestic. Here at home the worst enemy we face is economic—the creeping erosion of the American way of life and the American dream that has resulted in today's tragedy of economic stagnation and unemployment.

Now, I don't pretend for a moment that, in 21 months, we've been able to undo all the damage to our economy that has built up over more than 20 years. The first part of our program has been in the books only 1 year and 13 days. Much of the legislation we need has still not been enacted. We've still got a long way to go before we restore our prosperity. But what I can report to you tonight, my fellow Americans, is that at long last your government has a program in place that faces our problems and has already started solving them.

Twenty-one months ago, we faced five critical problems: high taxes, runaway government spending, inflation, high interest rates, and unemployment. Getting to the roots of unemployment meant fighting inflation and high interest rates caused by runaway government spending and taxing, because we know that when inflation shoots up, it triggers a delayed-action rise in unemployment. Now inflation is being driven back down, and lower unemployment will follow.

So, we started by winning the first real tax cut for the American people in nearly two decades. Our program brings down income tax rates 25 percent. At the same time, we've been cutting costly, wasteful government regulations and the rate of increase in government spending. We've reduced the rate of government spending growth by nearly two-thirds. Inflation, which registered 12.4 percent in 1980, is down to just 5.1 percent so far this year.

Interest rates, which had climbed as high as 21½ percent before we took office, have this week fallen to 12 percent—not low enough, but certainly heading in the right direction. Unemployment, always a lagging indicator in times of recession, has not yet stopped its upward drift.

But in 21 months, we've already brought tax rates down by a quarter, with the third installment coming next July, and brought down the rate of increase in government

spending by nearly two-thirds. That's helped us to bring down the rate of inflation by more than half, and that's helped us to bring down interest rates by 40 percent.

So, on four out of five problems that faced us in 1980, we've made important progress. We haven't solved them all, but we're making headway.

Just last week, the Federal Reserve Bank decided to lower its discount rate to 9.5 percent—the first time this key interest rate has gone below two digits since 1979, and the fifth reduction in just 4 months. This demonstrates the Fed's confidence that inflation and market rates will continue coming down and its confidence that we can work together for a healthy, noninflationary recovery. All of this lays the goundwork for a recovery that will mean more jobs and more opportunity for all our people. But it's a delayed reaction.

Remember the trendlines. Just as surely as skyrocketing inflation created a negative reaction that drove up unemployment, bringing down inflation and interest rates is creating a positive reaction that will boost employment. I wish there were a quicker, easier way—some magic short-cut—but unemployment is always one of the last things to turn around as an economy heads into recovery. And make no mistake, America is recovery bound. And the world knows it.

The American dollar, beaten down and distrusted in the late 1970's, is showing new strength. Recently, we've been seeing a surge of investment in our stock and bond markets. This is no flash in the pan. Markets will go up and they will come down, but the trend in the United States is up. What's more, this investment is coming from all over, from home, from abroad, from small investors on Main Street to those who manage billions of dollars, including our workers' pension funds.

Why aren't these people heeding the drumbeat of doom and gloom coming from Washington? Because they've been watching this country's inflation and interest rates dropping for months. They realize this administration means business in the battle against inflation. Their decision to put cash on the line is a strong vote of confidence in the foundation being laid for America's recovery—healthy, stable growth that will bring new jobs and opportunity for our people without returning us to runaway inflation and interest rates. That's the one big difference between the recovery America is headed for today and the shaky, temporary recoveries of the recent past. This one is built to last.

With your support, we can show the world that we've learned our lesson and that this time we're going to get the job done and get it done right. This time, we're going to keep inflation, interest rates and government spending, taxing and borrowing down, and get Americans back on the job.

Much of the work that remains to be done requires congressional cooperation. As you know, Congress adjourned October 2d for the election campaign. But it left behind a lot of unfinished business. For this reason, I urge the Congress to reconvene after the elections so that it can do its part as quickly as possible to continue the work of recovery. We simply can't afford to wait until next year when something as vital as the economic health of America is at stake.

The Congress will return on November 29th. It will face five top economic priorities, priorities that must be addressed.

First, the Congress must do its part to control government spending. Before adjourning, it sent me only two appropriation bills. Eleven more remain to be passed. And I will use the veto, if necessary, to keep them within the budget. When the Congress passed the tax package this summer, it pledged to save $3 in outlays for every $1 in new revenues. I intend to hold the Congress to its word.

Second, I urge the Congress to reconsider the constitutional amendment to balance the budget. This crucial measure was passed by the Senate and supported by a clear majority in the House of Representatives. It was only defeated because of the hard core opposition of a minority of Representatives who prefer continued big spending.

Third, the Congress should act on regulatory reform to help make government more economical and efficient and the private sector more productive. Regulatory reform legislation was passed unanimously by the Senate but was bottled up in committee in

the House.

Fourth, the time has come for passage of the enterprise zones initiative to revive declining inner city and rural communities by providing new incentives to develop business and jobs. This program was approved by the Senate Finance Committee, but still awaits action on the Senate floor and in the House.

And, fifth, we need to pass the clean air bill which, while protecting the environment, will make it possible for industry to rebuild its productive base and create more jobs.

But it's not an easy job, this challenge to rebuild America and renew the American dream. And I know it can be tempting, listening to some who would go back to the old ways and the quick fix. But consider the choice. A return to the big spending and big taxing that left us with 21½-percent interest rates is no real alternative. A return to double-digit inflation is no alternative. A return to taxing and taxing the American people—that's no alternative. That's what destroyed millions of American jobs.

Together we've chosen a new road for America. It's a far better road. We need only the courage to see it through. I know we can. Throughout our history, we Americans have proven again and again that no challenge is too big for a free, united people. Together, we can do it again. We can do it by slowly but surely working our way back to prosperity that will mean jobs for all who are willing to work, and fulfillment for all who still cherish the American dream.

We can do it, my fellow Americans, by staying the course.

Thank you, good night, and God bless you.

Note: The President spoke at 7:30 p.m. from the Oval Office at the White House. The address was broadcast live on nationwide radio and television.

Statement on Signing a Student Aid Bill
October 14, 1982

I have signed S. 2852, the student financial assistance technical amendments act of 1982. This bill makes a number of changes in the student aid grant and loan programs generally intended to improve the way these programs function.

I am pleased that before final passage of this legislation, a complex and potentially very costly provision opposed by the administration was deleted. I would, however, like to comment on an objectionable provision which remains in the final version.

Section 6 of S. 2852 would authorize either House of Congress to disapprove the Secretary of Education's schedule for family contributions for Pell Grants for the 1984–85 academic year. The Attorney General has advised me, and I agree, that one House of Congress cannot bind the executive branch by passing a simple resolution that is not adopted by both Houses of Congress and presented to me for approval or veto. Such a provision unconstitutionally encroaches on the principle of the separation of powers that is at the foundation of our government. Accordingly, the Secretary of Education will implement this law in a manner consistent with the Constitution.

Note: As enacted, S. 2852 is Public Law 97–301, approved October 13.

Statement on Signing a Bill Providing for the Conveyance of Certain Land Rights to the Arkansas Forestry Commission
October 14, 1982

I have signed H.R. 3881, which provides for the conveyance to the State of Arkansas Forestry Commission of certain rights in land now held by the Secretary of Agriculture. In 1980, a sale of nearly 20,000 acres of land to the Forestry Commission for use as a State forest was completed. The sale was conditioned on retention of mineral rights in the land by the United States and a stipulation that the land would revert to the United States if it were not used for public purposes.

This bill would direct the Secretary of Agriculture to release the reverter clause on 80 acres of the land conveyed to the Arkansas Forestry Commission in 1980, so that the Commission may sell this tract to a private party. The bill would also require proceeds from such a sale to be used for a public purpose. When the land was sold in 1980, the purchase price represented a 30 percent discount from fair market value. I am directing the Secretaries of Agriculture and the Interior to ensure that the fair market value stipulated to be paid to the United States for the mineral interests adequately reflects the 30 percent discount that was granted in the original sale of the tract because of the retention of mineral interests and the public use requirement.

While the United States is quite pleased to enter into transactions with the States and localities for the sale of Federal lands, the principle of full and fair compensation to the taxpayers of the United States must be maintained.

Note: As enacted, H.R. 3881 is Public Law 97-302, approved October 13.

Remarks Announcing Federal Initiatives Against Drug Trafficking and Organized Crime
October 14, 1982

Thank you very much, Bill, and thank all of you ladies and gentlemen.

I'm always a little self-conscious when I carry this bundle of papers up here, but I assure you it isn't going to be as long as the papers make it look. The printing is very big. [*Laughter*] But, you know, I know the importance of brevity in a speech. I was campaigning, and someone came up to me after the speech. And he was looking kind of accusingly at me, and he says, "You've got a nice tan." And I said, "Well, I've been doing a lot of outdoor rallies." "Well," he says, "you talk too long." [*Laughter*]

I'm delighted to be here, but I want to say at the outset that I didn't come today just to give a peptalk or exchange niceties. Those of you engaged in law enforcement have struggled long and hard in what must often have seemed like a losing war against the menace of crime. I'm grateful to you for that, and so are the American people. But besides being grateful, I have some good news for you—a major initiative that I believe can mark a turning point in the battle against crime.

As all of you know, crime today is an American epidemic. It takes the lives of over 20,000 Americans a year, touches nearly a third of America's homes, and results in about $8.8 billion a year in financial losses. I've resisted figuring out and doing what is sometimes typical in remarks of this kind, and that is to tell you how many people are going to be murdered while I'm talking to you.

But these statistics suggest that our criminal justice system has broken down, that it just isn't working, and many Americans are losing faith in it. Nine out of ten Americans

believe that the courts in their home areas aren't tough enough on criminals, and the cold statistics do demonstrate the failure of our criminal justice system to adequately pursue, prosecute, and punish criminals. In New York City, for example, less than 1 percent of reported felonies end in a prison term for the offender.

The perception is growing that the crime problem stems from the emergence of a new privileged class in America, a class of repeat offenders and career criminals who think they have a right to victimize their fellow citizens with virtual impunity. They're openly contemptuous of our way of justice. They don't believe they'll be caught, and if they are caught, they're confident that once their cases enter our legal system, the charges will be dropped, postponed, plea-bargained away, or lost in a maze of legal technicalities that make a mockery of our legitimate and honorable concern with civil liberties.

Once again the research shows that this common perception has a strong basis in fact. Just take one limited part of the crime picture. Transit police in New York estimate that only 500 habitual offenders were responsible for nearly half of the crimes committed in their subways last year. This rise in crime, this growth of a hardened criminal class, has partly been the result of misplaced government priorities and a misguided social philosophy.

At the root of this philosophy lies utopian presumptions about human nature that see man as primarily a creature of his material environment. By changing this environment through expensive social programs, this philosophy holds that government can permanently change man and usher in an era of prosperity and virtue. In much the same way, individual wrongdoing is seen as the result of poor socioeconomic conditions or an underprivileged background. This philosophy suggests in short that there is crime or wrongdoing, and that society, not the individual, is to blame.

But what has also become abundantly clear in the last few years is that a new political consensus among the American people utterly rejects this point of view. The increase in citizen involvement of the crime problem and the tough new State statutes directed at repeat offenders make it clear that the American people are reasserting certain enduring truths—the belief that right and wrong do matter, that individuals are responsible for their actions, that evil is frequently a conscious choice, and that retribution must be swift and sure for those who decide to make a career of preying on the innocent.

This administration, even as we're struggling with our economic and international problems, has also been attempting to deal with the threat of crime and to speak for this new consensus.

As you know, one of the most critical duties that we faced upon taking office was controlling the influx of illegal drugs into this country. The South Florida Task Force, which we established under the leadership of Vice President George Bush, has, in the opinion of virtually all knowledgeable observers, been highly successful in slowing the illegal flow of drugs into the United States. I'll return to the subject of illegal drug trade in a moment, but let me say now that what was happening in south Florida is an example of the increasing sophistication and power of organized criminal enterprises and the grave danger that they pose to our nation.

When I spoke in New Orleans last year to the International Association of Chiefs of Police, I made the point then, as Bill has told you—and I don't think that I should repeat it now—but we do draw distinctions between violent crime, sophisticated crime, or between crimes like drugpushing and crimes like bribery. The truth is, crime doesn't come in categories. It's part of a pattern. If one sector prospers in the community of crime, so ultimately do all the others.

As I said then, the street criminal, the drugpusher, the mobster, the corrupt policeman, public official, they form their own criminal subculture. They contribute to and they prosper in a climate of lawlessness. They need each other. They use each other. They protect each other. And that brings us to the major and sweeping effort that I'm announcing this morning.

For many years, we have tolerated in America, not just in the illegal and highly

dangerous drug traffic but in many other areas, a syndicate of organized criminals whose power is now reaching unparalleled heights. The personal suffering they cause to our society in human and fiscal terms, the climate of lawlessness that its very existence fosters, has made this network of professional criminals a costly and tragic part of our history.

Today, the power of organized crime reaches into every segment of our society. It is estimated that the syndicate has millions of dollars of assets in legitimate businesses. It controls corrupt union locals. It runs burglary rings. It fences for stolen goods, holds a virtual monopoly on the heroin trade. It thrives on illegal gambling, pornography, gun-running, car theft, arson, and a host of other illegal activities.

The existence of this nationwide criminal network and its willingness—and too often, its success—in corrupting and gaining protection from those in high places is an affront to every law-abiding American and an encouragement to every street punk or two-bit criminal who hopes some day to make it into the big time.

The reasons for the mob's success are clear. Its tactics and techniques are well known. Organization and discipline, vows of secrecy and loyalty, insulation of its leaders from direct criminal involvement, bribery and corruption of law enforcement and public officials, violence and threats against those who would testify or resist this criminal conspiracy—all have contributed to the protective curtain of silence that surrounds its activities.

Through the years a few dedicated Americans have broken the curtain surrounding this menace and successfully rooted it out. Their names are familiar—Prosecutor Thomas Dewey and Judge William Seabury, Federal Agent Eliot Ness, and Senators Kefauver and McClellan, Attorneys General Brownell and Kennedy, investigative reporter Don Bolles. Important and increasingly effective investigations and prosecutions have also been achieved by the FBI and the Justice Department strike forces. But too often the efforts against the mob made by a few dedicated policemen, prosecutors, reporters, or public officials have resulted in only temporary gains. The time has come to make these gains permanent. The time has come to cripple the power of the mob in America.

A few months ago Attorney General William French Smith and his staff, in collaboration with the Treasury Department, put together final plans for a national strategy to expose, prosecute, and ultimately cripple organized crime in America. And I want to announce this program today. It is one that outlines a national strategy that I believe will bring us very close to removing a stain from American history that has lasted nearly a hundred years.

This program is very detailed, but let me now outline just a few of its major facets.

First, in view of the success of the South Florida Task Force, and because of increasing organized crime involvement in drug abuse, we will establish 12 additional task forces in key areas in the United States. These task forces, under the direction of the Attorney General, will work closely with State and local law enforcement officials. Following the south Florida example, they'll utilize the resources of the Federal Government, including the FBI, the DEA, the IRS, the ATF, Immigration and Naturalization Service, United States Marshals Services, the U.S. Customs Service, and the Coast Guard. In addition, in some regions Department of Defense tracking and pursuit capability will be made available.

I believe that these task forces will allow us to mount an intensive and coordinated campaign against international and domestic drug trafficking and other organized criminal enterprises.

Second, no weapon against organized crime has proved more effective or more important to law enforcement than the investigations carried on by the Kefauver committee and the McClellan committee in the 1950's or the Senate Permanent Subcommittee on Investigations, which, as many of you may remember, heard testimony from Federal informant Joseph Vallachi in the 1960's. Although several other commissions on crime have been appointed since then, none has had the time and the resources to fully investigate the syndicate and lay out a national strategy for its elimination. Accordingly, I am announcing the

creation of a panel of 15 distinguished Americans from diverse backgrounds and professions with practical experience in criminal justice and combating organized crime.

The purpose of this commission, which will last for 3 years, will be to undertake a region-by-region analysis of organized crime's influence, to analyze and debate the data it gathers, and to hold public hearings on the findings. Not only will the work of this commission lead to important legislative recommendations, it will also heighten public awareness and knowledge about the threat of organized crime and mobilize citizen support for its eradication.

Third, this administration will launch a project similar to the Fifty States Project now underway in the area of women's rights. It will enlist the Nation's Governors in bringing about needed criminal justice reforms. For example, without effective enforcement of local and State statutes against various kinds of racketeering, like illegal gambling, this vital source of revenue for organized crime will never be fully dried up.

This Governors' project will attempt to bring to the attention of the States the importance of such initiatives and will serve as a sounding board for the Governors' concerns.

Fourth, all the diverse agencies and law enforcement bureaus of the Federal Government will be brought together in a comprehensive attack on drug trafficking and organized crime under a Cabinet-level committee chaired by the Attorney General and a working group chaired by the Associate Attorney General. Their job will be to review interagency and intergovernmental cooperation in the struggle against organized crime and, when necessary, bring problems in these areas to my attention.

And fifth, we're establishing, through Departments of Justice and Treasury, a national center for State and local law enforcement training at the Federal facility in Glynco, Georgia. This center, which will complement the already excellent training programs run by the FBI and DEA, will assist and train local law enforcement agents and officials in combating new kinds of syndicated crime, such as arson, bombing, bribery, computer theft, contract fraud, and bid-rigging, as well as drug smuggling.

Sixth, this administration will open a new legislative offensive that is aimed to win approval of reforms in criminal statutes dealing with bail, sentencing, criminal forfeiture, the exclusionary rule, and labor racketeering, that are essential in the fight against organized crime.

Seventh, I will ask that the Attorney General be required to submit a yearly report to the people, through the President and the Congress, on the status of the fight against organized crime and organized criminal groups dealing in drugs. This requirement, although simple and inexpensive, will establish a formal mechanism through which the Justice Department will take a yearly inventory of its efforts in this area and report to the American people on its progress.

And eighth, millions of dollars will be allocated for prison and jail facilities so that the mistake of releasing dangerous criminals because of overcrowded prisons will not be repeated.

I believe this program will prove to be a highly effective attack on drug trafficking and the even larger problem of organized crime. In fact, its first year will probably cost less than what is spent in one day on illegal drugs in this country or what is spent in one week by many Federal programs. But let this much be clear: Our commitment to this program is unshakable. We intend to do what is necessary to end the drug menace and cripple organized crime.

We live at a turning point—one of those critical eras in history when time and circumstances unite with the sound instincts of good and decent people to make a crucial difference in the lives of future generations. We can and will make a difference.

This is the justification for the offensive on organized criminal enterprises that I've outlined today. It comes down in the end to a simple question we must ask ourselves: What kind of people are we if we continue to tolerate in our midst an invisible, lawless empire? Can we honestly say that America is a land with justice for all if we do not now exert every effort to eliminate this confederation of professional criminals, this

dark, evil enemy within?

You know the answer to that question. The American people want the mob and its associates brought to justice and their power broken—not out of a sense of vengeance, but out of a sense of justice; not just from an obligation to punish the guilty but from an even stronger obligation to protect the innocent; not simply for the sake of legalities but for the sake of the law that is the protection of liberty.

"Justice," James Madison wrote in "The Federalist Papers," "is the end of government. It is the end of civil society. It ever has [been] and ever will be [pursued until it be][1] obtained, or until liberty be lost in the pursuit." For the sake of our children, for the sake of all the magnificent accomplishments of the American past, today I ask for your support and the support of our people in this effort to fight the drug menace, to eradicate the cancers of organized crime and public corruption, to make our streets and houses safe again, and to return America to the days of respect for the law and the rights of the innocent.

Thank you very much.

Note: The President spoke at 10:47 a.m. in the Great Hall at the Department of Justice. He was introduced by Attorney General William French Smith.

Remarks During a Rose Garden Meeting with Members of Local Youth Soccer Teams

October 14, 1982

The President. Members of the Green Raiders and members of the Stompers, you probably are aware of who are with me here today. Oh, by the way, my name's Ronald Reagan. [*Laughter*] These gentlemen with me, though, are better known to you, I'm sure.

This is the great Pelé, and I don't think there's ever been a soccer player in the history of the game that has the record that he has worldwide as a great player—playing in the World Cup many times, and started when he was 16 years old. And this is Steve Moyers, who is with the New York Cosmos, and is the greatest American-born scorer in American soccer.

And Pelé is working very hard to bring something about that I think all of you would look forward to with great joy, and that is, in the spreading of soccer as a sport throughout the world—and he's been instrumental in doing that—to bring the United States into World Cup competition, so that we join in the—it's every 4 years, isn't it? The World Cup?

Pelé. Exactly. The World Cup is every 4 years, and they have more than 250 countries involved in soccer in the World Cup. I wish to see the Americans there, because I trust the kids. I trust—like Steve here.

The President. Well, now these two gentlemen are just going to give you a little demonstration here of kicking the ball back and forth a little bit.

Note: The President spoke at 3:05 p.m. to the soccer players on two local area youth teams—the Green Raiders and the Stompers.

Prior to joining the children in the Rose Garden, the President met with Brazilian soccer player Edson Arantes do Nacimento (Pelé) and Steve Moyers in the Oval Office.

Following the demonstration by Pelé and Mr. Moyers, Pelé spoke to the young players. The President then tossed the ball into the center of the Rose Garden, and the two teams competed in a short game.

[1] *White House corrections.*

Executive Order 12388—United States Information Agency
October 14, 1982

By the authority vested in me as President of the United States of America, and in order to effectuate the provisions of Section 303 of Public Law 97-241 (96 Stat. 273), which changed the name of the International Communication Agency back to its original name of the United States Information Agency, it is hereby ordered as follows:

Section 1. Sections 1, 2 and 3 of Executive Order No. 12047 are amended by deleting "International Communication Agency" and substituting therefor "United States Information Agency."

Sec. 2. Executive Order No. 12048 is amended by adding thereto the following new Section:

"Sec. 10. In accord with the name change provisions of Section 303 of Public Law 97-241 and effective on August 24, 1982, references in this Order to the International Communication Agency shall be deemed to be references to the United States Information Agency.".

Sec. 3. The Annex to Executive Order No. 12260, as amended, is further amended by deleting "United States International Communication Agency" from item number 50 and substituting therefor "United States Information Agency".

Sec. 4. Section 2 of Executive Order No. 12293 is amended by deleting "International Communication Agency" and substituting therefor "United States Information Agency".

Sec. 5. Subsections (b)(2) and (c) of Section 9 of Executive Order No. 12293, as amended, are further amended by deleting "International Communication Agency" and substituting therefor "United States Information Agency".

Sec. 6. This order shall be effective as of August 24, 1982.

RONALD REAGAN

The White House,
October 14, 1982.

[*Filed with the Office of the Federal Register, 10:27 a.m., October 15, 1982*]

Statement on Signing an Airline Industry Bill
October 14, 1982

I have signed into law H.R. 5930, a bill to extend for 5 years the program that provides insurance to air carriers in cases where U.S. military or foreign policy interests require aviation operations that do not qualify for commercial insurance.

This legislation also leaves jurisdiction over domestic airline mergers, acquisitions, consolidations, and interlocking relationships relating to domestic air transportation at the Civil Aeronautics Board (CAB) until January 1, 1985. Under the Airline Deregulation Act, this authority was scheduled to transfer to the Department of Justice on January 1, 1983, as part of the sunset of CAB functions. H.R. 5930 delays for 2 years the transfer to Justice of domestic airline merger authority so that domestic and international airline mergers are handled by the same agency. With the signing of this legislation, I reaffirm that this administration is committed to full deregulation of the airline industry, to the sunset of the CAB no later than January 1, 1985 (the date scheduled in the Airline Deregulation Act), and to having airline mergers, acquisitions, consolidations, and interlocking relationships reviewed by the Department of Justice under normal antitrust standards and procedures, as is the case for other nonregulated industries.

Note: As enacted, H.R. 5930 is Public Law 97-309, approved October 14.

Statement on Signing the Veterans Compensation, Education, and Employment Amendments of 1982

October 14, 1982

Today I am very pleased to sign H.R. 6782, the "Veterans Compensation, Education, and Employment Amendments of 1982." This bill will provide a 7.4 percent cost-of-living increase to some 2.3 million veterans with service-connected disabilities. It will also provide the same percentage increase to approximately 319,000 widows and children of veterans whose deaths were service-connected. These increases will be retroactive to October 1 of this year.

I am also happy to say that this legislation does not stop there. H.R. 6782 will benefit our veterans in other ways as well. The bill provides a higher compensation rate for certain blind veterans. It extends the period during which certain Vietnam-era veterans can continue vocational training. It makes a number of improvements in the Veterans Administration's insurance and burial benefits programs. And finally, it is aimed at strengthening the Department of Labor's programs to help veterans gain employment.

I am always gratified when administration proposals are passed by the Congress. But I am especially gratified that the 7.4-percent increase in benefits and the other provisions of this legislation have now become law.

This country owes a very special debt to those veterans who have sacrificed their lives for the defense of this nation and to all veterans who unselfishly served their country. This legislation demonstrates the Nation's continuing commitment and support for the men and women who have served in our military forces.

I want to commend Chairman Alan Simpson and Chairman Sonny Montgomery and the other members of the Senate and House Veterans' Affairs Committees for their skillful and dedicated stewardship of this bill.

Note: As enacted, H.R. 6782 is Public Law 97–306, approved October 14.

Nomination of Four Members of the National Council on the Arts

October 14, 1982

The President today announced his intention to nominate the following individuals to be members of the National Council on the Arts, National Foundation on the Arts and the Humanities, for terms expiring September 3, 1988:

Allen Drury, an author, who resides in Tiburon, Calif. His first novel, "Advise and Consent," won the 1960 Pulitzer Prize. He has published 12 novels and 5 nonfiction books since then. He graduated from Stanford University (B.A., 1939). He would succeed Willard L. Boyd.

Celeste Holm, a stage and screen actress, who resides in New York City. She began her stage career in 1939 and her film career in 1946. She received an Academy Award for her role in "Gentleman's Agreement" (1947). She is a member of the governing board of the U.S. Committee for UNICEF. She is married and has two children. She would succeed Theodore Bikel.

Samuel Lipman, a musician and critic, who resides in New York City. Since April 1982 he has been serving as publisher of the New Criterion, a monthly magazine of arts and ideas. He has served as music critic for Commentary since 1976. He graduated from San Francisco State College (B.A., 1956) and the University of California at Berkeley (M.A., 1958). He is married and has one child. He would succeed Martina Arroyo.

Robert Stack, an actor, who resides in Los Angeles, Calif. He has been president of Langford Productions, television and theatrical films, in Los Angeles, since 1959. He was a recipient of an Emmy Award for outstanding performance

by an actor given by the Academy of Television Arts and Sciences. He is married and has two children. He would succeed J. C. Dickinson, Jr.

Remarks and a Question-and-Answer Session via Satellite to Republican Campaign Events
October 14, 1982

The President. Good evening to all you friendly, enthusiastic Republicans. Say, isn't this great? Since I couldn't personally get to each district, the Republican National Committee came up with this means of beaming me out to gatherings all over the country. So, I'm being bounced off a satellite and then down to your individual gathering. We've come a long way since my days in radio at WHO in Des Moines. But I'll admit I'm a little worried—the way I'm beaming all over the place, I'm afraid someone might mistake me for Jerry Brown, California's Mr. Medfly.

But no matter what the electronic election techniques, politics still depends on people, people at the grassroots like all of you out there tonight. You make the difference in every election, and you're going to make the difference in this one as well. I'm upbeat about November 2d because our candidates are good, like the ones we're supporting tonight. And in spite of what you sometimes hear on the news, I believe the issues are on our side.

For example, the economy. Rather than running away from the economic issue, I think the real economic record is in our favor if we can just get the truth out. We Republicans are doing a good job cleaning up a mess that built up for decades, and I'm genuinely convinced the American people understand that and will show it on election day. The economic issue that the opposition is trying to bully us with is like the bully himself—once you stand up to him, he slinks away. Five economic problems, as I said last night, were beating this country over the head when we came to Washington 20 months ago: runaway spending; double-digit inflation, 2 years of it, back to back, for the first time in 60 years; the worst interest rates in 100 years; the highest peacetime tax burden in our history as a nation; and high unemployment.

Well, we've made dramatic gains on four of those five problems. The good news Republicans can run on is an inflation rate that reached a peak of 18 percent in January of 1980 but that has now been cut to 5.1 percent for the first 8 months of this year. The prime interest rate reached 21½ percent before we came to office and has now been knocked down to 12 percent, and we're not by any means finished with it yet.

More good news Republicans can run on is the cut in growth of government spending by nearly two-thirds—17 percent a year down to 6 percent. And we will have cut tax rates 25 percent by next July. And last month, auto sales went up by 8½ percent. If you want more good news, look at what the stock and bond markets are doing as confidence returns to Wall Street and Main Street investors from coast to coast.

Yes, there are still tough problems, especially that tragic unemployment rate. Sadly, unemployment is always just about the last to feel a recovery. But we're going to beat unemployment, just as we're beating the rest of our economic problems. And when we get it licked this time it's going to stay licked, because the recovery will be a real one, not an artificial quick fix trumped up by Washington's big spenders.

Incidentally, I heard that diatribe that followed my broadcast last night. The dictionary says a demagogue is "one who arouses people's emotions for his own benefit or purpose." Well, the demagogue from Michigan held me personally responsible for causing 10.1 percent of our work force to be unemployed. But 7.4 percent of them were unemployed when we got here. By my figures, we're only responsible for 2.7 percent. But we're trying to help all 10.1 percent

get jobs, which is more than our opponents can say. And we can do it with the new Republicans we'll elect this fall, and that's what we're all gathering for tonight.

So, before I turn this over to questions, I just want to say thank you for working for these fine Republican candidates. They are the kind of conscientious and principled public leaders America needs, and I look forward to working with them in the next Congress.

Now, as we go to your questions, I'd like to introduce my political director, Ed Rollins, who is going to help me out this evening.

Mr. Rollins. Thank you, Mr. President. As we go coast to coast, we begin by going to South Bend, Indiana, the home of Notre Dame football, where more than 1,500 folks have gathered to honor our good friend, Jack Hiler. As most of your know, Jack defeated John Brademas, the Democratic whip, 2 years ago, and Jack is going to ask us our first question this evening.

The President. Come on, Jack.

Representative Hiler. Hello?

The President. Ask the question.

The Middle East

Representative Hiler. Mr. President? This is John Hiler from South Bend, Indiana. I want to compliment you on a very fine speech last evening.

The question I have, Mr. President, is what are the prospects for real peace in the Middle East?

The President. Well, Jack, I think the prospects are good. I'm optimistic about the Middle East and what's going on there. As you know, we've had our good man, Ambassador Habib, over there negotiating again, the man who brought about the cease-fire. And he is assisted by another one, his companion, Ambassador Draper. But what we're trying to do is, first, help the newly elected President over there, with our multinational force, establish stability in Lebanon. They've been, for several years, divided up into factions, each faction with its own militia. But I think progress is being made there. We've heard statements recently that both Israel and Syria have expressed their willingness to leave. They, I think, would like to do it simultaneously.

And so I think progress is being made. And then we've been in contact with the Arab nations, as well as with our friends and allies in Israel. And it will take negotiations under the Camp David pattern to bring about a just solution for the Palestinian refugees and at the same time have the other Arab States do what Egypt did first, and that is recognize the right of Israel to exist as a nation and have peace treaties with them. And I think that we have a very good chance of succeeding.

Mr. Rollins. Mr. President, we'll move on now to our second fundraiser in Denver, Colorado, where many of your friends and supporters, including Holly and Joe Coors and Congressman Guy Vander Jagt and Senator Bill Armstrong are there to honor three outstanding candidates—one of whom is an incumbent, Ken Kramer, our good friend and supporter; former Apollo astronaut, Jack Swigert, who's running in the district out there, and John Buechner, who's challenging Tim Wirth in the tough race in the new second district out there.

Our question-asker tonight is an RNC Eagle, a good supporter of yours, Mr. Courtland Dietler, who's president of Spruce Oil Company. And he'll now ask you a question.

The President. Well, Courtland?

Arms Reduction Talks

Mr. Dietler. Mr. President, what is the best method to assure a mutually verifiable reduction in the weapons of war that will bring more security to the world?

The President. Courtland, I believe that we're on the way, if that's possible at all, that we're going to do it now with the policy that we've been following. As you know, we have negotiating teams negotiating—well, three of them in Geneva, Switzerland, one in Vienna—and we're negotiating for a reduction of conventional arms and weapons. But in Switzerland, we're also negotiating—two teams—negotiating a reduction, a legitimate reduction in the strategic nuclear weapons. And the other one is negotiating, and we have proposed, down to zero, the intermediate-range nuclear weapons in Europe.

Now, the Soviets have 945 warheads

aimed at targets in Europe in their medium-range missiles. And we have no deterrent whatsoever, but have promised our allies, at their request, that we're going to provide the Pershing II missiles as a deterrent force aimed at Russian targets. We have proposed that if they will eliminate their SS–20 weapons, we will refrain from installing those Pershing II missiles of ours in Europe.

Now, the reason that I am optimistic is because in years past, we have tried to negotiate arms limitation treaties with the Soviet Union at the same time—that is, in the previous few years, we were unilaterally disarming. We were canceling the B–1 bomber, we were reducing our forces in strength, and so forth. We have embarked on a course of a legitimate buildup to ensure our own national security, and this is what has brought the Soviets to the bargaining table, ready to negotiate.

Whether we'll get all we ask—of course, we probably won't. But I think we have a good chance of getting legitimate reduction, because now that we are reinstituting our Armed Forces, the Soviet Union knows they don't want that. I think it was all explained in a cartoon recently. It was Brezhnev talking to a Russian general, and he was saying, "I liked the arms race better when we were the only ones in it."

Now, we'll be ready to reduce instead of build up when they agree with us that they will reduce down to equal terms with us.

Mr. Rollins. Mr. President, we move next to Michigan, the home of that demagogue that you mentioned earlier in your speech, who the good citizens there are going to retire. Tonight they're there honoring Congressman Jim Dunn and our outstanding candidate Dick Milliman. As you know, Congressman Jim Dunn is in a rematch with Bob Carr, who we defeated and retired and will keep retired. And Dick Milliman is one of our outstanding candidates who's challenging Howard Wolpe there. Dick is going to ask the question, Mr. President.

Mr. Milliman. Good evening, Mr. President.

The President. Good evening.

Unemployment

Mr. Milliman. Good evening, Mr. President. This is Dick Milliman, the candidate for Congress in Michigan's third district. I'm speaking for myself and Congressman Jim Dunn of Michigan's sixth district.

Sir, both Congressman Dunn and I agree that we can't cure our country's past economic problems as quickly as we all would like. But in Michigan, we are very hard hit by unemployment. Our question, then, is, what would you suggest we tell people in our districts who constantly ask us, "What can be done now to help our unemployment situation in Michigan?"

The President. Dick, I know this may not sound like a satisfactory answer to a candidate who's got to go out and repeat it to the people, and yet it is the honest answer. To say, "What can we do now?"—we're doing it. I would just remind them that when I was campaigning there in 1980, before there was an economic recovery program such as we have put in place in Washington last year, there was in Flint, Michigan—when I campaigned there, they told me unemployment was 20 percent. They told me it was 18 percent in Detroit. And there were other places, the same kind of record. In other words, in the industrial States like Michigan, the unemployment had already started, because that's when the interest rates were 21½, and people weren't buying automobiles on installment plans, and they weren't building houses or buying them, because they couldn't afford the mortgages at that kind of interest rate. And that's when inflation was 12.4 percent.

Now, as I said last night, inflation caused the high interest rates, and between the two of them, they have caused the slowdown that has created that unemployment. Since that time—I gave those figures earlier in how far we have come down in interest rates and inflation. The next to follow must be unemployment. But in all the recessions in the past, when they've had the quick fixes, unemployment never came down in a recovery as far as it had been before the recession. And there have been seven recessions, before this one, since World War II.

I wish that I could say there was some-

thing that we could do instantly. What they did in the past, in those other seven recessions was, of course, artificial stimulants, pump up the money supply, and then up went the inflation and up went the interest rates. And yes, there would be, because of make-work programs, government-funded programs of many billions of dollars that were temporary, that didn't lead to any set job, and this would seemingly give an end to the recession. But as I say, it never went back down where it should, the unemployment, and the next recession was only about 2 years away.

Now we're trying to make it permanent. And I know that it will take some time for the unemployment to feel the effect of the reduced inflation and the reduced interest rates, but I believe it is the only way to ensure permanency. And I think if we remind the voters out there and remind those people who are unemployed—and no one can feel worse about that than a person like myself, who was in the job market in the Great Depression of the thirties—but remind them that the unemployment started long before our economic recovery program, and nothing was being done about it that was permanent or lasting. And now these other figures are coming down, and I think unemployment is going to, also.

In the meantime, we have and are funding extensions of unemployment in the hard-hit States for those who have run out their time period for unemployment insurance. We have just recently passed a job training bill in which we're going to be training a million people a year for legitimate jobs, the kind of jobs that are available in your various communities.

Mr. Rollins. Mr. President, we move next to Mansfield, Ohio, which is the home of our good friend, Congressman Mike Oxley. Mike has the best of all worlds. Because of his tremendous support for you and the outstanding individual, he has no opponent November 2d. So, we're sure of having one good vote for us next year. Asking the question in Mansfield is Dr. Bob Jones, who is a doctor of internal medicine. He's married and has four children; good supporter of yours.

Dr. Jones. Good evening, Mr. President.

The President. Good evening.

1982 Elections

Dr. Jones. My question this evening is this: What are your predictions for the election of November 1982?

The President. Well, Doctor, my prognosis is optimistic. I think that we've got good candidates out there. We have got good funds. And we have kept with a tradition that's been true for over a quarter of a century in the Republican Party; and that is that even though the Democrats continue to call us the party of the fat cats and the rich, the Republican Party, as it has for a quarter of a century, has raised the most of its money from small contributors, and far more from small contributors than our opponents have raised. And between these two things, the kind of candidates we have and people like yourself out there who have turned out at these affairs to be of help.

I know that tradition also has it that in the first off-year election after a party gets the White House, there is a great loss in the Congress. Well, I don't think there's going to be as great a loss as is traditional. I think we're going to do better than the tradition would have it. And we're going to get some of those fine new candidates, and we're going to get our incumbents back.

Mr. Rollins. Mr. President, I can only second those remarks. And we are moving to Tullahoma, Tennessee, to the home of the Tullahoma High School auditorium, where many of our friends and supporters are there to honor Cissy Baker, who is a good friend of a good friend of yours—is a daughter of a good friend of yours, as you know, Senate Majority Leader Howard Baker.

The President. You bet.

Mr. Rollins. With Cissy's election on November 2d, it will be—she'll be the youngest Member of Congress, and it'll be the first daughter-father team that ever has served in the United States Congress.

The President. I think it's time we set that new mark.

Mr. Rollins. I agree.

Asking the question tonight from Tennessee is Mr. Jess Heldt, who's president of Worthsports, who is a longtime Republican, a good supporter of Senator Baker, yourself, and been very helpful with Cissy.

The President. All right.

Mr. Heldt. Good evening, Mr. President.

The President. Good evening.

Mr. Heldt. I'm speaking from Tullahoma, Tennessee, with the Cissy Baker campaign. And she would like you to say hello to her father. She doesn't get to see much of him anymore.

My question is: These elections seem to be drawing a lot of attention this year. Can you give us some specifics on why this 1982 election is so vital?

The President. Oh, I certainly can. There are any number of reasons and statistics as to why this is vital.

First, before I answer, Cissy, I'll say hello to your father. And we're looking forward to when you and he will both be in the same city together.

Now, why is it so vital? We have a Republican Senate, a majority. And when you get a majority, even by one vote, you name the chairmen of the committees and you have the majority of the committees. But the other House, the House of Representatives, the majority is of the opposition party.

And the leadership of that party—to give you an example: the amendment, proposed amendment for, I believe it was, for the constitutional amendment of balancing the budget had been buried in committee over in that side of the house, in the House side for, well, just about a year. It was in the committee, and it had been buried all this time, and then it took 218 names in the House—some Democrats, I will say, joined us—to, by petition, get it out of the committee on the floor, after it had been passed by more than a two-thirds majority in the Senate. Then, when it was voted on, a majority of the House voted for that amendment, but it wasn't a two-thirds majority, so it's failed, and we have to start over again.

What I'm getting at is that for almost solidly back over, through the Eisenhower years, we have had both houses of the legislature, the Congress, dominated by the Democratic Party, even when we had Republican Presidents. The only Republican President who had a Republican Congress was one 2-year period, Dwight Eisenhower. And in that 2-year period, inflation was zero, practically, unemployment was down at 2½ percent, and all of the figures were that way.

Now, when I stop to think of our own economic recovery program and the compromises that we had to make to get it through the House—we had called for a 30-percent tax cut to be retroactive to January 1st, 1981. We only got 5 percent, and it started in July 1st, not retroactive to January, and then, 10 percent the next October, and we're getting 10 percent—I maybe have these dates wrong. No, I think it was a 5 percent, October, and the 10 percent in July, and the next 10 percent will be in this next July. But what I'm getting at is that we have a Republican executive branch now. We have a Republican Senate. We haven't really been given a fair chance at showing what we can do with that division there in the Congress.

Isn't it fair to assume that after, really, almost 40 years of total domination by a Democratic Congress, even when there was a Republican President, they are the ones, the Congress, they are the ones who passed the programs. They're the ones who decide on the spending bills and so forth, and they are the ones who have built up a trillion-dollar debt that we're paying $110 billion a year interest on.

So, I think that all of the facts point to: If we have our policies supported in the Congress by a Republican majority, if we have Republican majorities in the committees so that the things that are proposed and are passed in committee come out to the floor so that the Representatives and the Senators can vote on them, that's what we have to have.

Mr. Rollins. Mr. President, we move now to Indiana, which is the home of our good friends, Senators Dick Lugar and Dan Quayle. And tonight, there's a group in Jeffersonville, Indiana, along the Ohio River, who are honoring our outstanding candidate there, Floyd Coates.

Floyd—who was a very strong supporter, worked for you in the last election—is running against incumbent Lee Hamilton.

Asking the question is another good, strong supporter of yours, George Hughes, who is president of E. H. Hughes and Company. He's also a strong supporter of the two Senators there.

The President. George?

Federal Spending and Taxation

Mr. Hughes. Good evening, Mr. President. It would appear that many economic indicators are showing improvement. Can you provide any specifics for additional reduction in government spending and taxation, and what do you foresee as the role of the 98th Congress?

The President. The role of the 98th Congress, George, is to continue giving us support for our economic recovery program, which means making the additional reductions in spending. Now, in these 2 years, '81 and '82, we have made about—well, no, I'm off on my figures again—'82 and the coming budget resolution that's been passed for '83 will amount to about $50 billion reduction in the increases that have been scheduled. We've never reached a point in which we could actually cut a budget back to smaller than it was before. And that would be a dream come true.

But, as you know, when you submit a budget you have to make proposals on out for about 3 to 5 years ahead. And, so, when we came here and inherited in the 1981 fiscal year the budget already passed, we also inherited the projected budgets for '82 and '83. We have reduced those projections by $50 billion.

Now, the Congress has promised us—with the combination tax and spending program that was passed this summer—they promised us $3 in cuts, spending cuts, for every dollar of increased revenue in that tax program over the next 3 years. That's about $380 billion of spending cuts. And we must hold them to that promise that, over the next 3 years, we're going to reduce the scheduled increases in government spending by those $380 billion, to get those deficits down, and come to the day when we will have a balanced budget.

Now, I don't foresee any tax increases, as far as we're concerned, that we would introduce. I must remind you, however, the biggest tax increase that was ever passed in our history was passed in 1977, and it was a payroll increase in social security. And there are two more installments of that yet to come, in 1985 and, I believe, in 1990. And those are scheduled and are in the law that was passed in '77, under the previous administration.

But we believe that our course now should be to continue the reductions in spending that we've started.

Mr. Rollins. Mr. President, we now move on to Wichita, Kansas, where there's a group there honoring Gerald Caywood, our outstanding candidate, who's running against incumbent Dan Glickman in the Fourth Congressional District in Kansas.

An old friend of yours, a Republican Eagle, Willard Garvey, who is chairman of the board of Garvey Industries and founder of Homeowner's Trust, which is a group dedicated to fighting political spending and waste in government, is going to ask you the question.

The President. Willard?

Mr. Garvey. Mr. President, on the same question, government spending is still the root cause of inflation and unemployment. Congress has doubled spending in 6 years, and now it costs each family over $8,000 per year, plus $10,000 per family for national debt, plus $100,000 per family for unfunded Federal liabilities. Just a 10-percent cut in spending would free up $80 billion, enough for 8 million new $10,000 jobs. And my question is, what do our candidates for Congress and the rest of us need to do that will help you to cut spending?

The President. What we need are more Republicans like Gerald Caywood in Washington to help us against the leadership of the House which has never agreed with our progam of cutting, which is still dedicated to the big spending by the Federal Government and the belief that the Federal Government and government programs are the answer to all our problems. And they can't see that over these past decades, government is not the answer to the problems; government is the problem.

So, this election is all-important from that standpoint. I have to be honest and say that we have had the support of some Democrats that I think represent the feeling of the rank-and-file Democrats, millions of them, who are out of step with this party leadership and who have collaborated with us in getting the cuts that we've gotten so far and getting the tax cuts that we've

gotten so far.

As the economy improves and as we begin to improve on the unemployment situation, you are going to see that we're going to do better at reducing those deficits, also, because every added 1 percentage point of unemployment adds about $25 billion to the deficit—that is in lost revenue by the individual not working, and in the benefits that must be paid out. So, again, the economic recovery program is the best answer that we can have.

I wish it were possible all at once to simply make a slash in the spending. As I said in my opening remarks, we reduced the increase from year to year in spending from 17 percent down to 6 percent. But to go beyond that, you can't do it all at once, because you would be pulling the rug out from under people without any warning or any provision for them—people who through no fault of their own have become dependent on some of the government programs. And I have pledged that while we're going to bring down the spending, we are going to preserve that safety net for those people who must depend on the rest of us for their livelihood.

Mr. Rollins. Mr. President, we move now out to the Northwest, to Bellingham, Washington, where a group is out there honoring our outstanding candidate, State Representative Joan Houchen, who is running against incumbent Doug [Al] Swift. Bellingham, Washington, is a logging and fishing area. And our questioner tonight is a 30-year-old linesman for a local power company, Mr. Sam Brown—not the other Sam Brown that we all knew so much about. This is Sam Brown, who's president of the county Young Republicans.

The President. Sam?

Federalism

Mr. Brown. Mr. President, we've all heard about your new federalism program. When do you expect this program to take place, and what benefits can we in Bellingham, Washington, expect once these programs are turned back to State and local government?

The President. Sam, some of the program, the federalism program, those things that we could do administratively simply by Executive order—some of those things have been done, such as putting grants together that were once known as categorical grants. That meant that here was a specific program that the Federal Government helped in funding, but then the Federal Government insisted that the money had to be spent exactly the way the Federal Government regulations called for it in its spending. And many times these were wasteful; they didn't recognize the fact that the priorities were different from city to city, county to county, or State to State. We have lumped many of those in what are called block grants, in which we've said, "Here, this program, that program, the other program—here is a block of money, Federal aid to you, and you can set the priorities in spending that money."

Now, what we need from the Congress, we need legislation on, is the part of the program that will allow us to transfer programs—the part of the programs now being run by the Federal Government—that we believe can be better run at local and State levels; to transfer those programs back and, at the same time, transfer back the sources of revenue. In other words, we're not going to dump them on you out there at the local and the State level. We're going to make it possible—the dream is that eventually we give you back the programs that the Constitution always indicated should be run by the States, by the local communities. The Federal Government is supposed to do only those things specifically called for in the Constitution. That's article [amendment] 10, and that's been abused quite considerably.

Now, where we believe that will benefit you is that you, closer to the scene, know more about those local problems and how they can best be resolved than a bureaucracy here in Washington can know, and the administrative overhead is much higher in Washington than it is at local, county, and State government. Therefore, a lot of the money that is now not going, let's say, to the problem that you're trying to solve, but is going to an expensive bureaucracy for administration, that money will be freed up, and it will mean that the programs will actually cost less for both.

Photographic Portfolio

Overleaf: With soccer players Pelé and Steve Moyers and children from two local teams in the Rose Garden, October 14. ***Left:*** Presidential news conference in the East Room, July 28. ***Right:*** Talking with senior citizen members of the Angelus Plaza Agape Center in Los Angeles, Calif., July 6. ***Below:*** Monitoring House action on Federal tax and budget reconciliation legislation, with Presidential Assistants Duberstein and Baker, in the Oval Office, August 19.

Left: Touring the Dee family farm with Secretary of Agriculture Block in State Center, Iowa, August 2. ***Below:*** Participating in the centennial celebration of Billings and Yellowstone County in Montana, August 11. ***Right:*** With General Barrow at a ceremony celebrating the 207th birthday of the United States Marine Corps in the Rose Garden, November 10.

Above: Candle-lighting ceremony for School Prayer Day in the State Dining Room, September 25. ***Below:*** With Secretary of State Shultz after unveiling a plaque at the U.S. Embassy in Brasília, Brazil, December 2.

Above left: Signing the Job Training Partnership Act in the Old Executive Office Building, October 13. ***Above right:*** Presenting the Presidential Medal of Freedom to singer Kate Smith in Raleigh, N.C., October 26. ***Below:*** Delivering a radio address to the Nation on the economic recovery program, from Camp David, Md., October 30.

With former *Columbia* astronauts Crippen and Engle during the landing of the space shuttle's fourth mission, at Edwards Air Force Base, Calif., July 4.

We expect to suggest that program if not—well, I don't think that it would be wise for us to put it up in the special session that will come in November, but immediately after the first of the year, with the 98th Congress, we are going to present this program. We've been working on it in company with Governors, with mayors, with city councilmen, with State legislators, county officials, ironing out the wrinkles in it, and we'll be ready in January to present it.

Mr. Rollins. Mr. President, we're going to move back across the country. We're going to go to Manchester, New Hampshire, where Bob Smith, who is our outstanding candidate who's challenging incumbent Norm D'Amours, is being honored there by a group of citizens. Our guest questioner is Lois Beaulieu, who was our town chairman in 1980—your town chairman, in New Market, New Hampshire.

The President. Well, Lois, hello.

Balanced Budget Amendment

Ms. Beaulieu. Well, Mr. President, I understand there are about a dozen Congressmen who are actually cosponsors of the balanced budget constitutional amendment, but who deceived the public and voted against it anyway. I'm sorry to say my Congressman, Norman D'Amours, was one of those flip-floppers. What can we do about this group of Congressmen, and do you think there's a chance of passing a balanced budget amendment next year?

The President. We're going to be back asking for that balanced budget next year. Over 40 States have that in their State constitutions. My own State of California, when I was Governor, it has that. It works, and it's the only way we're really going to get control of spending, is to have that. The people—in the polls, it showed that 80 percent of them want it. And what we have to do, you say, about those Congressmen like your opponent who flip-flopped on things of that kind—forgive me, but may I say to all of you out there, I don't think that we pay enough attention to what goes on in Washington while it's going on. And therefore, candidates can say one thing and then do another and vote another way and very often get away with it, just simply because the people aren't aware. Don't let them get away with it. Keep track of how they're voting. And when they vote right, go out of your way to drop them a note and let them know they voted right. When they vote wrong, do what you should do in New Hampshire in this district right now—vote for Lois Beaulieu for Congress.

Mr. Rollins. Mr. President, let's go back home to Sacramento, California, where they're honoring Roger Canfield, who is our candidate there against incumbent Vic Fazio. Roger worked for the Senate out there in the State government and was the architect of a very good reapportionment plan. Unfortunately, there weren't enough votes in the legislature, and Phil Burton got his plan through. But hopefully, the district that Roger is running in is not so badly drawn that he can't win in November. Roger will ask you the question himself, Mr. President.

The President. Roger?

Crime and Drug Trafficking

Mr. Canfield. Yes, Mr. President. This is Roger Canfield, suburban Sacramento. And we're concerned out here with what government can do about crime, considering that's the purpose of government, to protect our life and property. I'm running against a guy out here who's against the death penalty and voted for reduced penalties for rape.

The President. Roger, they're going to think this is a frameup. I just went over to the Justice Department this morning and made a speech in an auditorium to an assembled audience there—many of them having to do with law enforcement—and announced an eight-point crime program.

Now, I recognize that the Federal Government can only do so much in that because most of our criminal statutes are State statutes and, therefore, it is local law enforcement and local and State government that has to do with that. But our eight-point crime program is aimed at organized crime. We have had a tremendous success with a brand new kind of task force in south Florida, where about 80 percent of the drugs that were coming in from the other countries were coming in through south Florida.

And our task force lined up local and State government and our Federal forces, even up to and including military, giving us tracking of boats and planes that were bringing in drugs. And we literally have stopped it cold there.

Now, of course, the drug runners are seeking out other entry points in the country. So, part of our program this morning called for 12 such task forces, nationwide, to go after this, as well as the program against organized crime.

I won't go into all the eight points; time doesn't permit. But you are going to see the Federal Government doing more in this whole field of crime, including the fact that we're making a training institution here that has been for Federal officers and FBI and Secret Service and so forth—this is going to now be made available to local law enforcement officers, so that we can have better cooperation. And I think we're going to make a difference.

Mr. Rollins. Mr. President, I know how difficult it is for both of us to leave Sacramento, but we'll have to go to Longview, Texas, next. And there we're going to visit with Pete Collumb. Pete—who worked for our former—or our great friend, John Tower—Pete is running against Ralph Hall. And maybe you remember, but Pete's daughter, Alexandria, was cochairman of Tots for Reagan in 1980, with your grandson, Cameron.

The President. Yes.

Mr. Rollins. Alexandria is 3 years old, and she is there tonight.

The President. Well, Alexandria, hello. And hello, Bart.

Mr. Rollins. Asking the question tonight is Bob Cargill, who's involved in the oil industry there which is very, very important, as we all know, in Texas.

Department of Energy

Mr. Owens. Mr. President, this is not Bob Cargill. This is Bart Owens from Gregg County, Texas. The question, particularly for the independent producers, is do you still plan to eliminate the Department of Energy?

The President. Yes, we do. We are proceeding on that course. It isn't easy. I know that it sounds to the average person as if—well, why can't you just say it's out of business and it's out of business? You have to remember that when a department like that, a Cabinet department was formed, it didn't start from scratch. There were a number of programs already in place in other agencies of the Government that are essential programs, and that the Federal Government should be maintaining, and they were lumped together in this new department.

So, part of the engineering is the redistribution of these programs back to the other agencies where they were. And, of course, part of it again is hostility on the part of our opponents in the House against eliminating this department. But we think that it's the right thing to do.

We think that we've made some good progress there in things like the decontrol. I remember our opponents said that gasoline was going to cost $2 a gallon if we did it. Today we're about 91 percent self-sufficient in this. And it isn't costing $2 a gallon. It's costing less than it did under controls and all. So, we're going to keep on going until we get that department eliminated.

Mr. Rollins. Mr. President, that concludes our quick visit around the country. Many of these outstanding candidates and incumbents and their tremendous supporters, I know, have been supporters of yours over the years. And we look forward to having them all back here to work with in January 1982.

The President. Well, Ed, we'll keep at it there. And thank you very much for helping.

In closing, I just want to say how essential all of you are to our cause. It's an old truth, but every vote does count. And the results of this election will hinge, perhaps more than anything else, on voter turnout.

The basic job of identifying supporters and getting them to the polls is still one of the most important in politics. Technology like we're enjoying tonight can't replace the hard work of getting out the vote. As I've said, I believe we're going to do well. We've got fine candidates, a wide base of contributors, an efficient party organization, and we've got good issues—issues the people of this nation truly care about.

It's up to you Republicans at the grassroots to make sure that the voters understand how important the choice is this year—the choice between going back to old policies that didn't work, or going ahead in the new direction we've set. We're on a new road now, a road that's leading America to better times. Unless we have the courage to stay on course and defeat our economic problems now, we'll never have lasting recovery, and our problems will grow worse than before.

Well, I intend to stay the course, and we're going to succeed. But we need your support. So, please promise me that you will mobilize and get out the vote for a great Republican victory on November 2d.

As I said last night, it isn't an easy job—this challenge to rebuild America and renew the American dream. But we can do it. Throughout our history, we Americans have proven again and again that no challenge is too big for a free, united people. Together, we can do it again. And we can start making those dreams come true by electing Republican candidates to office.

We couldn't have done what we have without our majority in the Senate. Think what we can do with more Republicans in the House.

Thank you again, and God bless you.

Note: The President spoke at 8:30 p.m. from the Washington, D.C., studios of the U.S. Chamber of Commerce. His remarks and the question-and-answer session were carried live to the campaign events.

Radio Address to the Nation on Agriculture and Grain Exports
October 15, 1982

My fellow Americans:

I am sorry for the delay in this broadcast, due to technical difficulties. I'm speaking to you from the White House over a special hookup with radio stations across the farm belt.

I'd like to discuss with you for a few moments the plans our administration has to meet important agricultural challenges we face together. I'm talking about increasing American farm exports, restoring our reputation as reliable suppliers, and regaining our world market share.

Before I do, may I just take a moment to congratulate you? Once again, you're making something look easy that would be considered a miracle almost anywhere else in the world. Farmers all over America are harvesting record crops. You know, I've always thought that when we Americans get up in the morning, when we see bacon, eggs, toast, and milk on our breakfast table, we should give thanks that our farmers are survivors. You are the real miracle workers of the modern world—keepers of an incredible system based on faith, freedom, hard work, productivity, and profit—a system that feeds us and sustains millions of the world's hungry.

Too often, people forget a basic fact of life: All those good things we enjoy come from the ache in your backs and your willingness to shoulder great personal risks. Right now, another fact of life in America's heartland is that things haven't been very good down on the farm. You who produce the food and fiber essential to life itself are carrying tremendous burdens—sometimes impossible burdens. U.S. agriculture is in the grip of a prolonged economic recession that began in 1980. The record inflation and interest rates of the late seventies and that mistaken Soviet grain embargo laid the seeds for a very different, bitter kind of harvest—a vicious cost-price squeeze and lost markets. Together, they eroded confidence and destroyed too many dreams for prosperity.

I believe this government's proper role, indeed its only role, is to act as friend, partner, and promoter of American farmers and their products. I want with all my heart to see your burdens lifted, to see farmers who have given so much to America receive the rewards they deserve. As Dwight Eisenhow-

er once said, "Without a prosperous agriculture, there is no prosperity in America."

From the moment we arrived in Washington, we've been working to solve those long-neglected problems that were dragging America down. Like any small businessman, a farmer lives or dies on his ability to sustain an adequate cash flow, and when that cash flow is reduced to a trickle by high inflation and high interest rates, a farmer sometimes has no option but to shut down his operation. Add to all this your bumper crops, and we understand why the cost-price squeeze is so bad and threatens the survival of agriculture, America's bedrock industry.

It's been tough, slow work, and as I told the Nation Wednesday night, we still have a long way to go. But we're beginning to make real progress on four of the five most serious problems we inherited. We are bringing down spending, bringing down inflation, bringing down interest rates, and reducing your taxes.

You know, one of the parts of our tax program that I'm most proud of addresses a special problem for farmers. We don't think widows and children should lose what generations of love and toil created just to pay Uncle Sam a tax, so we took action to correct that. We increased the estate tax exemption to $600,000 by 1987, and we eliminated altogether the estate tax for a surviving spouse. I hope all these steps are beginning to bring some relief on your cost side of the equation.

As for prices, well, there are really only two ways to increase farmers' income—sell more or produce less. Now, I'm not one who believes you should be cursed by your own success. The philosophy of this administration is to help farmers to succeed in the marketplace, not depend on the U.S. Treasury. Deciding how much to produce and how much to sell is best left to you. We, in turn, will make every effort to remove the barriers to the exporting of your products.

So, that brings me back to what I mentioned at the outset—our initiatives to increase exports, restore our reputation as a reliable supplier, and regain our market share.

As you know, our administration moved early on to end that grain embargo which had hurt farmers so badly. Before the Soviet embargo, American farmers were supplying about 70 percent of Soviet needs. After the embargo, our market share dropped to less than 25 percent. Other nations had quickly moved in to fill the gap left by the embargo, so that our farmers, and our farmers almost alone, bore the brunt of the embargo. This year, we've fought our way back to 35 percent of the Soviet market. We're on our way back up. We can and we will do better there and around the world.

Nothing is more crucial to the long-term health of agriculture than restoring this nation's reputation as a reliable supplier of agricultural products around the world. During the past 20 months, we've pursued an agricultural export policy making three things plain: No restrictions will be imposed on farm exports because of rising domestic prices; no farm exports will be singled out as an instrument of foreign policy, except in extreme situations, and then only as part of a broad embargo supported by our trading partners; and world markets must be freed of trade barriers and unfair trade practices.

On that last point, we've mounted a united front by the Departments of Agriculture, State, Treasury, Commerce, and the U.S. Trade Representative, to speak out and act against the unfair trade practices of our competitors abroad. We're committed to more open agricultural markets in all countries, and we're challenging others in negotiations, particularly our friends in Europe and Japan, to fully match this commitment.

It's imperative that all of us work together to reduce the growing tide of protectionism and export subsidies overseas. If other countries can't understand an evenhanded approach is in everybody's best interest, if they're not willing to play by the rules of the game, then let there be no mistake: We must and we will counter with strong measures of our own to permit American farmers to realize the benefits of their extraordinary productivity.

Now, in spite of my strong commitment, I know there is still concern in the farm community that we've not given sufficient assurance of delivery of our farm exports. I can understand farmers' skepticism. You've been burned so often in the past. But our

new agricultural export policy means exactly what it says: We will honor our word.

Today, I am directing Secretary of Agriculture Block to take two additional steps. Two weeks from now, U.S. representatives will meet with the Soviets in Vienna for talks concerning additional grain purchases beyond the 8 million metric tons stipulated in article 1 of the existing U.S.-U.S.S.R. grain agreement. I am instructing the Secretary to make available a total of 23 million metric tons for purchase during the October 1, 1982–September 30, 1983 time period.

Second, the Secretary of Agriculture will extend to the additional purchases the same assurances of reliable delivery that the 8 million metric tons are afforded under article 2 of the agreement, if the U.S.S.R. will contract for the additional tonnage during the month of November, and provided that it is shipped within 180 days from the date of the contract.

These same assurances, of course, also apply to soybean and other agricultural exports. We have a large crop. We need commitments to move that crop and strengthen markets. Now, of course, we can't guarantee the Soviets will make these purchases, but we know they're shopping, and they still have large needs.

We want to demonstrate that actions speak louder than words, and we're taking tangible actions to restore this market. Year-in, year-out, there is no better, more reliable producer of food anywhere than the United States of America.

Now, some will say that by offering to sell the Soviets more grain we're sending a weak signal. That's wrong. We're asking the Soviets to give us cash on the line for the food they buy. We're not providing them with any subsidies or pumping any Western currencies into Soviet pockets.

It's always seemed ironic to me that many people who are so quick to sacrifice the interest of farmers in an effort to seem tough are unwilling to do the real things we need to send a signal of national will and strength.

During the last decade, we had two grain embargoes. But during those same years we were also reducing our commitment to a strong national defense, while the Soviets were undertaking the most massive military buildup in history. We're not making that mistake in 1982; we have our priorities straight.

I wish I could tell you today that we've turned everything around for American farmers. I can't. I can only say that we're doing everything we can, as rapidly as we can, to make things right.

Thank you for keeping up the struggle. Thank you for your strength, your vision, and your faith. I know we can return prosperity to our heartland and to America. God has blessed us with a strong spirit and rich soil. With His help and yours we can make America once again the source of all the dreams and opportunities she was placed on this good Earth to provide.

Thanks for listening, and God bless you.

Note: The President spoke at 9:30 a.m. from the Oval Office. His address was broadcast live from the White House and relayed to Station WHO of Des Moines, Iowa. The broadcast was also available for coverage by a number of other agricultural networks.

Remarks on Signing the Garn-St Germain Depository Institutions Act of 1982

October 15, 1982

Thank you all very much, and thank you for joining us to sign this historic reform. This bill is the most important legislation for financial institutions in the last 50 years. It provides a long-term solution for troubled thrift institutions. It's proconsumer, granting small savers greater access to loans, a higher return on their savings. And when combined with recent sharp declines in interest rates, it means help for housing, more

jobs, and new growth for the economy. All in all, I think we hit the jackpot.

Let me just divert here for a moment to underline the importance of something that we've been saying since our administration took over. Bringing down inflation brings down interest rates which brings backs the economy. And what a better way to cap off a big week of momentum toward recovery than this morning's Producer Price Index report—down another one-tenth of 1 percent last month, and up only 3.1 percent so far this year. If that rate holds steady, it'll be the best performance in 10 years.

Now, this bill also represents the first step in our administration's comprehensive program of financial deregulation. I particularly want to commend the leadership of the chairman, Senator Garn, and Chairman St Germain, along with Secretary Regan and his fine team at Treasury. They did a remarkable job forging a consensus within the Congress and among affected industries in favor of the bill's deregulatory provisions. I'd like to also thank Congressmen Stanton, Wylie, and LaFalce for their assistance.

What this legislation does is expand the powers of thrift institutions by permitting the industry to make commercial loans and increase their consumer lending. It reduces their exposure to changes in the housing market and in interest rate levels. This in turn will make the thrift industry a stronger, more effective force in financing housing for millions of Americans in the years to come.

Unfortunately, this legislation does not deal with the important question of delivery of other financial services, including securities activities by banks and other depository institutions. But I'm advised that many in the Congress want to put this question at the top of the banking deregulatory agenda next year, and I would strongly endorse such an initiative and hope that at the same time, the Congress will consider other proposals for more comprehensive deregulation which the administration advanced during the 97th Congress.

Thank you all again. I'm very pleased to sign this Garn-St Germain Depository Institutions Act of 1982.

Note: The President spoke at 11:03 a.m. at the signing ceremony in the Rose Garden at the White House.

As enacted, H.R. 6267 is Public Law 97-320, approved October 15.

Statement on Signing a Bill Designating the Mary McLeod Bethune Council House as a National Historic Site

October 15, 1982

It is my pleasure to sign into law S. 2436, a bill to designate the Mary McLeod Bethune Council House in Washington, D.C., as a national historic site.

The designation of the Council House, the last official residence of Mary McLeod Bethune, will preserve this symbol of the rich legacy provided this nation as a result of the life and work of this great American—a black woman who inspired countless others of her generation and beyond.

Mrs. Bethune's work as a public figure during and immediately following the administration of Franklin D. Roosevelt is directly associated with her work at Council House. It was from the Council House between 1936 and 1949 that Mrs. Bethune simultaneously administered the Bethune-Cookman College in Florida, served as director of the Division of Negro Affairs of the National Youth Administration, and rose to prominence as a national and international leader.

Council House was the first national headquarters of the National Council of Negro Women and was a significant center for the development of strategies and programs which advanced the interests of the black community.

Because the National Council of Negro Women will retain fee title to the property, located at 1318 Vermont Avenue NW., here

in Washington, it will not become part of the Federal estate in the traditional sense. The Secretary of the Interior is authorized to enter into agreements with the Council for assistance in the interpretation, restoration, and maintenance of the historic site, in order to preserve it and to provide for its enjoyment by all Americans and other admirers of Mary McLeod Bethune throughout the world.

Note: As enacted, S. 2436 is Public Law 97-329, approved October 15.

Statement on Signing the Military Construction Authorization Act, 1983

October 15, 1982

I am very pleased at this time to sign the fiscal year 1983 Military Construction Authorization Act.

This is a very important piece of legislation because it provides the authority for $7 billion of vitally needed facilities in 49 States, the District of Columbia, Puerto Rico, and 19 foreign countries to support the military services, their Guard and Reserve components, the defense agencies, and our military family housing program. These facilities will contribute significantly to the achievement of a higher degree of readiness and mobilization capability and improve the quality of life for many of our military personnel and their families.

Also, this bill provides three other essential elements of support. One is our contribution to the NATO infrastructure program for continued emphasis on our overall readiness in Europe. Another is the enhancement of our overall readiness in Europe. Another is the enhancement of our military posture in Indian Ocean and Persian Gulf areas, where critical United States interests are threatened. The third is consideration for high-priority national programs, such as energy conservation and pollution abatement.

While the primary purpose of the Military Construction Authorization Act is to meet urgent military requirements, a side benefit to the economy of our country and to the American construction industry is the jobs created.

I also want to take this opportunity to express my gratitude to Committee Chairman Price and Subcommittee Chairman Brinkley and Committee Chairman Tower and Subcommittee Chairman Thurmond for their dedicated work in securing the passage of this bill.

Note: As enacted, S. 2586 is Public Law 97-321, approved October 15.

Message to the House of Representatives Returning Without Approval an Amendment to the Contract Disputes Act of 1978

October 15, 1982

To the House of Representatives:

I am returning without my approval H.R. 1371, a bill "To amend section 12 of the Contract Disputes Act of 1978."

H.R. 1371 would require the Federal Government to pay interest to contractors on claims in excess of $50,000 without regard to the date the claims are certified, as now required by section 6(c) of the Contract Disputes Act. The bill would also require the Secretary of the Treasury to determine interest rates to be paid contrac-

tors, taking into account the rates of interest on current commercial loans maturing in approximately five years.

The payment of interest by the Government on contractual claims has a long history. Traditionally, the Government's sovereign immunity has barred interest payments unless the terms of a specific statute or contract required it. Among other reforms suggested by the Commission on Government Procurement in 1972 was a recommendation that the Federal Government pay interest on contractual claims. As a result of this recommendation, Congress passed the Contract Disputes Act of 1978.

I have no objection to the language in H.R. 1371 concerning the way in which interest rates on contractual claims against the Government are determined. I strongly object, however, to other language in the bill that would amend the Contract Disputes Act to require that interest on a claim run from the time a claim is submitted without regard to the date of certification of the contractor's claim. This provision is inconsistent with the purpose of the certification requirement of the Contract Disputes Act. That requirement is intended to discourage the submission of inflated claims against the Government by requiring contractors to certify that their claims are made in good faith and are accurate and complete to the best of their knowledge.

By permitting interest to run from the date a claim is submitted, instead of from the date of certification, as current law provides, H.R. 1371 could result in a large increase in Governmental obligations without any corresponding benefits to the claims resolution process so carefully established in the Contract Disputes Act. For this reason, and considering that there have been no hearings or studies conducted addressing the need for such a substantial departure from existing law, I find the bill unacceptable.

RONALD REAGAN

The White House,
October 15, 1982.

Radio Address to the Nation on the Economy
October 16, 1982

My fellow Americans:

There's an old saying that "no news is good news." Well, I guess that's true sometimes. But still, it's good to be talking with you after a week of good news for the average American family.

This troubled economy of ours isn't out of the woods yet. It takes more than 21 months to undo the piled-up damage of more than 20 years. But with your help, we're getting there.

Last Wednesday night, on television, I tried to paint the big picture, to show where we are, how we got here, and what we're doing to make America well again.

As I pointed out, from day one of this administration, we've been working hard to solve five big economic problems. Problem number one, government was taking too much of your money in high taxes. Number two, government was spending and borrowing too much money, including service on a trillion-dollar debt. This led to number three, backbreaking inflation, which added so much to the burden of millions of Americans trying to make ends meet. And, of course, inflation and government borrowing led to a fourth problem, the high interest rates that made it hard or impossible for people to afford the homes, the cars, the other purchases that keep our economy moving and provide jobs—the final problem.

Well, step by step, we're licking those problems. We fought for and won a tax break that will bring down your income tax rates a total of 25 percent when the final installment goes into effect next July 1st. We've reduced the rate of increases in Federal spending by nearly two-thirds. What we're aiming for is to get the annual increase in spending below the annual in-

crease in revenues which takes place as our economy grows.

We've driven inflation back down into the single digits, from 12.4 percent in 1980 to just 5.1 percent so far this year. This has helped bring down those paralyzing interest rates from a peak of 21½ percent in 1980 to 12 percent today.

And just yesterday, we had another piece of good news. The Producer Price Index went down one-tenth of a percent last month, for an average of only 3.1 percent so far this year. If we can hold that rate steady through December, it will be the best performance in 10 years, and another important step toward the inflation-proof recovery we're all working so hard for.

All of this means new hope, new cause for confidence, not just for the nearly 100 million Americans who are working today, and their families, but for retired citizens and others on fixed incomes who've suffered so much from inflation in recent years.

As for the 11 million Americans still out of work, they will find jobs as the economy continues to heal.

I don't mean to minimize the very real plight of the unemployed. But when we're told over and over again, as we have been in the last few days, that as of September 25th, 682,500 new claims for unemployment insurance were filed, shouldn't we also be told that at the same time 618,000 left the lists?

We're winning the battle on four out of the five problems causing this recession. We've already floored inflation and sent those high interest rates reeling. And as surely as single-digit inflation started the interest rates tumbling, getting those interest rates back down to single digits will drive unemployment back down to single digits, too.

Once we've done that, we'll have delivered a knockout blow to this bitter recession, the latest in a long series of recessions brought about because, until now, our leaders resorted to quick fixes and politics as usual, to treating the symptoms instead of the disease.

Well, as I said last Wednesday, at my age I didn't come to Washington to play politics as usual or sweep problems under the rug where they would only get worse for those who came after. I came here to solve problems, not to add to them. And with your patience, faith, and, yes, courage, we've been able to lay the groundwork for a lasting recovery that will leave America stronger than ever and spare our children and grandchildren some of the things that we've had to endure because of the mistakes of the past.

I don't use that word "courage" lightly. To me, one of the most inspiring things about this job is the chance it's given me to see how bravely Americans from all walks of life have responded to the problems we face. Your courage is one of the most precious gifts as a people, and it's seen us through many a storm. This is not the time to lose that courage—just when it's beginning to pay off.

One man summed it up best nearly 50 years ago, when America faced a far deeper economic crisis than the one we're working our way out of today—the Great Depression of the thirties. "The only thing we have to fear," said Franklin Roosevelt, "is fear itself." He spoke that line in his Inaugural Address in March of 1933 We've been told that line was not intended to be a major point in his address. Still, those were the words more than any others on that March morning that gave back to the American people their courage, their faith in themselves and in this blessed country. It is the best remembered line of his speech.

In times of trouble, fear is a disease of the spirit that can slow recovery and be exploited by those who are more interested in taking advantage of our problems than in helping to solve them. And there are such people. Some are seeking political profit, and others are just naturally given to doom-crying.

Now, I'm not just whistling past the graveyard; nor am I trying to belittle the grief and pain of you, who through no fault of your own, are out of work. I'm saying the downbeat chorus we're being subjected to by so many these days can rob us of our courage. We must not let that happen. Unemployment such as we have now is a terrible thing, but it may not be our number one problem. Our number one problem

may be fear—fear that we're adrift, that there is no plan, that no one is doing anything to make things better.

Well, that's not true. The improvement in inflation, interest rates, the increase in real wages, in savings and in retail auto sales, up 8½ percent in September, the surging stock market—all these are the result of a plan, a plan that is working and that offers hope to you who are unemployed. Hang in there. I know from personal experience how tough it can be, but don't give up. And don't listen to those crepe hangers who are howling like a dog sitting on a sharp rock. They howl, but they haven't proposed one thing they'd do to make things better. The truth is things are being done with no help from them, and things are getting better.

The time for confidence, the time for courage, is now. Thanks to you, we are nearing the end of a long and painful ordeal. With your prayers and support, with your confidence and courage, we can make the difference—not just for ourselves, but for generations of Americans to come.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, Md. The address was broadcast live on nationwide radio and television.

Statement on the Death of Bess Truman
October 18, 1982

Bess Truman lived a long, full life, serving her husband, her family, and her country with dignity. She was a devoted wife, a loving mother, and a gracious, unassuming First Lady. Bess Truman embodied the basic decency of America. Nancy and I convey our deepest sympathy to her family and to all who will miss this fine lady's goodness.

Note: The widow of President Harry S. Truman died in Independence, Mo., at the age of 97.

On October 20 the White House announced that Mrs. Reagan would attend funeral services for Mrs. Truman in Independence on October 21. The White House also announced that the President telephoned Margaret Truman Daniel to express his condolences on the death of her mother.

Statement on Signing the Coastal Barrier Resources Act
October 18, 1982

I am proud to sign into law today S. 1018, the Coastal Barrier Resources Act. This legislation will enhance both wise natural resource conservation and fiscal responsibility. It will save American taxpayers millions of dollars while, at the same time, taking a major step forward in the conservation of our magnificent coastal resources. S. 1018 is precisely the sort of imaginative environmental legislation this administration encourages—legislation that solves real problems in the stewardship of our natural resources.

S. 1018 will prohibit new Federal expenditures and financial assistance on approximately 700 miles of undeveloped coastal barriers on the Atlantic and gulf coasts of the United States. It will not prohibit a property owner from building on his property, and it will not impose federally mandated duties on State or local governments. Instead, it simply adopts the sensible approach that risk associated with new private development in these sensitive areas should

be borne by the private sector, not underwritten by the American taxpayer.

In the last 6 years alone, the Federal Government has spent more than $800 million to aid development and redevelopment of coastal barriers. A recent study estimates that the cost of Federal subsidies assisting initial construction in these areas averages more than $25,000 per acre. These are also recurring costs: When the next storm or hurricane strikes, the Federal Government will again be expected to help replace the bridges and roads, utilities and buildings. In terms of replacement costs, the estimated Federal subsidies are more than $53,000 for each developed acre. By signing S. 1018 into law today, this administration is acting to halt this subsidy spiral.

In addition, we will stop the flow of Federal dollars that have helped to encourage development that otherwise would not be economical. The difficult task of balancing competing uses of resources is best performed by the market, free of Federal subsidies.

It is rare that a bill enjoys the widespread support that S. 1018 has received. It is supported by the American Red Cross, the National Taxpayers Union, the coastal states organization, all of the major environmental and conservation organizations, and was enacted by the Congress with only four dissenting votes. This is a tribute to the commonsense philosophy of the legislation and the great leadership of its sponsors, Senator John Chafee and Congressman Tom Evans. I also want to thank the many others, such as Senators Strom Thurmond and Bob Stafford, who have made this law possible. My special thanks to Congressman John Breaux, who worked into the early morning hours on the day of recess to ensure final passage.

I want also to commend Secretary of the Interior Jim Watt for his efforts with regard to coastal barriers. An intensive, year-long study conducted at the Department of the Interior to identify undeveloped coastal barriers provided a firm foundation for this bill.

The administration will be taking immediate steps to implement this important legislation. The Coastal Barrier Resources Act meets a national problem with less Federal involvement, not more. This administration is committed to applying the imagination and common sense demonstrated by this legislation to the resolution of other important national environmental concerns. With enactment of this landmark legislation, the Nation takes a major step foward on the road to restoring a sound fiscal and environmental balance to the programs of the Federal Government.

Note: As enacted, S. 1018 is Public Law 97-348, approved October 18.

Remarks and a Question-and-Answer Session via Satellite to Republican Campaign Events

October 18, 1982

The President. Good evening to all you Republicans out there.

Since I couldn't personally get to each district during the campaign this year, the RNC [Republican National Committee] came up with this marvelous means of beaming me out to gatherings all over the country. An engineer explained to me how my signal is bounced from here to a satellite and then back to all of you. I admit, I found it a little confusing. It was like listening to Walter Mondale trying to explain Teddy Kennedy.

Anyway, with this technology, I feel like a genie that's been let out of the bottle. And it's good to be out campaigning among my fellow Republicans this evening.

Even though we've made tremendous electronic advances, engineers still haven't been able to design a satellite that can knock on doors, lick envelopes, and turn out the troops. Politics still depends on people—people at the grassroots like all of you out there tonight. You make the differ-

ence in every election. And you're going to make the difference in this one as well.

I'm upbeat about November 2d, because our candidates are good, like the ones we're supporting tonight. And, in spite of what you sometimes hear on the news, I believe the issues are on our side—for example, the economy. Rather than running away from the economic issue, I think the real economic record is in our favor if we can just get the truth out. The economy is a banner we can wave, not something to hide behind. We Republicans are doing a good job cleaning up a mess that built up for decades. And I'm genuinely convinced the American people understand that and will show it on election day.

As I said in a broadcast like this to Republicans in other States last week, the economic issue that the opposition is trying to bully us is like the bully himself—once you stand up to him, he slinks away. Five economic problems were beating this country over the head when we came to Washington 20 months ago: runaway spending; double-digit inflation—2 years of it, back to back, for the first time in 60 years; the highest, worst interest rates in a hundred years; the highest peacetime tax burden in our history as a nation; and high unemployment. Well, we made dramatic gains on four of those five problems.

The good news Republicans can run on is that an inflation rate that reached a peak of 18 percent in January of 1980 has been cut to 5.1 percent for the first 8 months of this year. The prime interest rate that reached 21½ percent before we came to office has now been knocked down to 12 percent. And we're not finished with it yet.

More good news—Republicans can run on this—the cut in growth of government spending by nearly two-thirds, 17 percent a year, down to 6 percent. And we will have cut income tax rates a total of 25 percent by next July. And last month, auto sales went up by 8½ percent. If you want more good news, look at what the stock and bond markets are doing as confidence returns to Wall Street and Main Street investors from coast to coast.

Just today, I had a meeting with some venture capital investors. These people invest in the future. They told me that we set a record last year—$1.4 billion for venture capital investments in small business. In 1977 there was less than 50 million for such purposes. That 1.4 billion means jobs—jobs in new industries that will provide long-term employment. And the data, so far, indicates that we're going to top last year's figures this year.

The momentum for recovery is building. For too long, the economy was a locomotive that had been rolling backward down the hill. Well, we've stopped that slide, and we're once again heading upward toward better times. You can feel America's economic engines begin to rev up again. The economy is on the move. And, if I may say so, politically we're on the move, too.

Yes, there are still tough economic problems, especially that tragic unemployment rate. Unfortunately, unemployment is always just about the last to feel a recovery. But we're going to beat unemployment, just as we're beating the rest of our economic problems. And when we get it licked this time, it's going to stay licked, because the recovery will be a real one, not an artificial quick fix trumped up by Washington's big spenders.

We're turning things around, and we'll turn them around even faster with the new Republicans we'll elect this fall, which is what we're all gathering for tonight.

So, before I turn this over to questions, I just want to say thank you for all you're doing at the local level and the precinct level. And thanks again for working for these fine Republican candidates. They're the kind of conscientious and principled public leaders America needs. And I look forward to working with them in the next Congress.

Here with me this evening is another good Republican helping to elect other Republicans, my political adviser, Ed Rollins.

Mr. Rollins. Thank you. Thank you very much, Mr. President. It's true; it's a privilege for me to be here and to be with all of our dear friends and supporters out there—and their grassroots supporters.

I think it's most fitting that we begin the evening by going out to see our good friend, Congressman George O'Brien, in the heartland of America—your old home

base, Joliet, Illinois, which isn't too far from Eureka. As you know, George was first elected to Congress in 1972 after a very distinguished career in the State legislature out there. He graduated with a law degree from Yale University. And, most important to us in this coming year, he sits on that very key House Appropriations Committee for us.

Now, I know the format, Mr. President, they're supposed to ask us questions. But George has got over 300 people wearing Indian headbands tonight. And, as one Irishman to another, I mean, I wonder why he's doing that instead of shamrocks. [*Laughter*]

The first question here for George is Tom Feehand, who is a good supporter of yours. He is a former president of the Chamber of Commerce there, the Boys Club, the Will County Bar Association, who's there with his lovely wife, Beverly, who's a former Miss Illinois.

Sanctions Against the Soviet Union

Mr. Feehand. Mr. President?

The President. Yes, Tom?

Mr. Feehand. Good evening. My question, sir, for you is a tough one. Illinois' biggest employer is the Caterpillar Tractor Company. Caterpillar has been badly hurt by your trade sanctions against Russia. And thousands of workers in Joliet have been laid off. Yet, the sanctions haven't helped Poland a bit and haven't hurt the Soviet Union. Isn't it time to lift those sanctions?

The President. Tom, our sanctions have hurt the Soviet Union, and will hurt them even more. Actually—and I know, of course, that they have hurt some of our companies here at home. They've hurt in that that gas pipeline, when completed, is going to earn billions of dollars in hard, cold cash every year for the Soviet Union. And the Soviet Union, right now, is very hard pressed economically. This is going to make it possible for them to continue their great military buildup.

Now, I know Caterpillar very well—I went to school 20 miles away from Caterpillar—and I'm sorry about what has happened. But I do want to point out that these sanctions are not the sole reason for Caterpillar's trouble. A lot of their trouble—and probably more than resulting from the sanctions—is some unfair competition coming from some of our friends and allies and other countries abroad. And our Secretary of the Treasury and Secretary of Commerce, our foreign trade representative, Bill Brock, and others here are planning to meet with Caterpillar's executives about what we can do to equal things out, because I believe in free trade, but I believe in fair trade. And I don't think that Caterpillar or any other American company should be penalized by unfairness in the rules that are laid down and the obstacles to international trade. So, we can help in that way.

Now, let me just say one thing, also, about the sanctions. We didn't set out to have that as our principle thing that we could do to the Soviet Union to show our anger about what they're promoting in Poland. We sent representatives to Europe to talk to our allies about some other things that we believe could be more punishing to the Soviet Union than these sanctions. And we couldn't get agreement on those.

We're trying again. If we can get a better set of restrictions other than the sanctions, we will be willing to lift those sanctions.

Mr. Rollins. Well, Mr. President, I know, as difficult as it is there, the real, key issue in this campaign, I think, is jobs. And I think it's very important for our candidates and good incumbents like George to go out and debate with the Democrats, and just ask them what they've offered as alternatives. There really aren't any alternatives. And I think someone like George O'Brien out leading the charge will do a very effective job for us.

The President. Yes.

Mr. Rollins. As difficult as it is to leave Illinois, our next stop is Honolulu, Hawaii, where the friends and supporters of State Senator Andy Anderson, who's our Republican nominee for Governor out there, are having a little hoedown or whatever they call it out there in the Big Island.

Andy, as you know, is a State senator who forged a coalition of Republicans and Democrats to take control of the State senate. And he has an old friend of yours, Stu Spencer, running his campaign, who tells me it's one of the best shots we have in the country of picking up a seat.

The President. Well, that'll be great.

Mr. Rollins. Andy, himself, would like to ask you a question.

Sugar Price Supports

Mr. Anderson. Mr. President, in this small State, we have 8,000 people and 17,000 directly and indirectly involved in sugar, with over 200,000 acres in sugar. Can Hawaii continue to count on the administration's aggressive support for the farm bill as it relates to sugar?

The President. We have no intention of asking for any changes in that farm program that we have—the quota program. This was passed by the Congress and has been implemented, and as far as I know, it's going to continue that way. So, you can reassure our friends there in the canefields.

Mr. Rollins. Andy, I just want to ask you—I hope Stu Spencer's not just laying on the beach and is really helping you win out there. [*Laughter*]

As difficult as it is to leave Hawaii, Mr. President, we now move on to Hilton Head, South Carolina, which is the home of our good friend Congressman Tommy Hartnett.

Tommy, as you know, is a former State senator in the State legislature in South Carolina who's president of the freshman class—the 54 freshmen Republicans who gave you such tremendous support. And I don't know if we could do the job as effectively without Tommy's support. So, I know he's in a tough race, and we want him back here. And like someone else I know, he was a former Democrat who saw the light.

Asking the question down there, Mr. President, is Pete Hall, who's the precinct county chairman of Beaufort, South Carolina.

The President. Pete?

Social Programs

Mr. Hall. Hello, Mr. President? This is my question. Critics of the President and critics of Republicans in the Congress have called our party "cold-hearted." They have accused you of being an unfeeling social program cutter whose economic policies are causing needless sufferings on Americans. Sir, what is the real story?

The President. Well, the real story, Pete, is that that is a dishonest charge, and many of them making it know that. Let me just point something out about this supposed fairness.

When many of these great social reforms and programs were passed, aiming at helping the truly needy, then the bureaucracy begins to expand and wants to grow and empire build. Having taken care of the people that are really in need, there's only one way they can expand the program. They begin to raise the standards for eligibility so that people who don't have that real need are getting benefits. All of the cuts that we have made in such programs are aimed at taking people off those programs that really are not morally justified or materially justified in being there. They don't have real need of the program. We have not cut the programs down at the bottom.

In our budget this year, we will be—the government will be buying 95 million meals a day. We will be providing medical care for 99 percent of our senior citizens. Around 5 million college students will be getting help from the Federal Government; 18 million people getting food stamps; 10 million families will be getting help in their housing.

But on fairness, let me point something out. In the decade of the seventies, the biggest welfare programs—the Aid for Dependent Children program, in the decade of the seventies, our opponents were successful in raising the grants a full one-third, supposedly to keep pace with inflation. But in that same decade, they didn't keep pace, and the people on Aid for Dependent Children program, in spite of a one-third raise, actually their purchasing power with those benefit dollars dropped a full one-third.

Now, let me point something out. Today a family that is at the poverty level of income, not on welfare, they are getting almost $600 more in purchasing power because of what we've done to reduce inflation. If the Federal Government had a program to deliver 600 additional dollars to them, the Federal Government would spend about $1,800 to do it. That's how much administrative overhead there is in many of those programs.

So, we think that it was far more fair for

us to give them that additional purchasing power to restore additional purchasing power that was going down and make it increase to the people on welfare, because their welfare dollars will now buy several hundred dollars more than they would before. We think that this is fair and that what they were doing might have—they might have talked a fair game, but the people that were being hurt worst were the people that they claimed to be helping with all of their good intentions.

Mr. Rollins. Mr. President, you're so right, and it's so very, very necessary for Tommy and all of his freshmen colleagues to get reelected and come back here and help us in order so we can continue to carry on this program.

The President. Yes.

Mr. Rollins. We now move on to Grand Junction, Colorado, where we have an outstanding candidate who's running for the Colorado Third District, Mr. Tom Weins. Tom is an owner and operator of a radio station, is an old radio man. You understand some of the problems that he may have. But he also owns a construction company and a chain of ski rentals and just is an outstanding candidate, one of the best we have in the country.

Asking the question at Grand Junction will be former Colorado State Representative Bill Foster.

Energy Policy

Mr. Foster. Good evening, Mr. President.

The President. Evening, Bill.

Mr. Foster. We in western Colorado share your views on keeping the Government out of the private sector. But after studying the key role that energy plays in the national financial and defense security, it is apparent that the national interest must be considered on a longer term basis than the private sector can economically, feasibly consider.

Therefore, I am asking that with regard to the development of oil from shale and the temporary market dislocations in uranium, which threaten to destroy the domestic uranium mining industry, if the Government should not be interested in helping to close the gap for the initial development of technology in the shale and some measures, such as quotas, to prevent the complete destruction of the domestic uranium mining industry.

The President. Bill, we have helped, do mean to help, but we want it to be practical and necessary. We helped in three major synfuel projects, one of them there in Colorado. One of the three failed in spite of our help. But now we know that in that regard and with regard to shale, that there are companies proceeding on their own and able to do that. In fact, one is evidently having some great breakthroughs and great success, maybe others—but this one I happen to know of, won't name it right now.

With regard to uranium, I believe in nuclear power. And I think it's been unnecessarily obstructed by a few antinuclear power activists. We think that by changing some cumbersome and useless regulations—and I don't mean making it more dangerous or cutting down on safety factors, but some of the things that have enabled these activists to interfere with the development of more nuclear power—in removing those obstacles that we can encourage continued development and more development of nuclear power. And that will take care of the uranium situation there.

Mr. Rollins. Well, good luck, Tom, and we now need to move on, Mr. President, to another outstanding candidate, going to Provo, Utah.

Utah, as you know very well, is the home of our two outstanding Senators, Jake Garn and Orrin Hatch, who I know the citizens there are going to send back. And they have two Congressmen, we presently have, Jim Hansen and Dan Marriott, who have been good strong supporters of ours—and because of that, I think that they were rewarded with a new district this time. And our outstanding candidate in that new district and reapportionment is Howard Nielson.

Howard is the kind of guy we really need back here. He's a professor of business at Brigham Young University, former speaker of the Utah Legislature, and most important, he was chairman of the budget audit committee. And we need somebody back here who understands how to keep budgets balanced.

Asking the question will be a local businessman from Provo, Utah—Mr. Earl Cook.

The President. Earl?

Mr. Cook. Mr. President.

The President. Yes.

Oil Industry

Mr. Cook. Less than a year ago, there were less than 4,700 oil drilling rigs operating in the United States. Today there are less than 2,400 and declining weekly. Does it not appear that it is in the best interests of some of the larger major oil companies, such as the Aramco group, to try and increase their domestic reserves while their foreign production continues to decline? We all know that their foreign oil production and sales gives them greater profitability and return on investment.

Do you have any plans in the immediate future to limit foreign imports or require special foreign oil import licenses on imported oil to encourage continued domestic exploration and production to make the United States less dependent on foreign oil?

The President. Earl, I don't believe that that is the answer to this problem. As a matter of fact, there are more rigs, still, with the great reduction this year, working than there were in any year before 1980. And our decontrol, getting government out of interfering with the energy industry, is what led to that great upsurge in domestic production. In 1980 we were importing 37 percent of our oil. We're now only importing 28 percent. It was 47 percent import as close as 1977.

What we think has happened and—well, in fact, we know—and has closed down a number of those rigs, happens to be the same thing that's causing all of our problems with regard to unemployment in the economy: high interest rates. This has made it uneconomic for a number of these newer drillings and rigs to continue producing. So, we're looking for ways to increase this by bringing down inflation and, thus, bringing down those interest rates. And we think that this will result in more.

But I just want to remind you that by getting the Government out of the business, that is what led to the development. And I remember when all of our critics over on the other side of the aisle told us that gasoline prices will go up to $2 a gallon if we decontrolled oil. Well, it didn't happen. We decontrolled oil, and prices went down for gasoline.

So, I think that we're on the right track by keeping government out of the energy field. And we're going to try to do more of that.

Mr. Rollins. When we get Howard back here next January, Mr. President, we'll certainly be able to move forward on that agenda.

We now move on to Atlanta, Georgia, where we have an outstanding candidate, Dick Winder. Dick is president of an independent insurance company, a former Marine Corps officer, president of the American Cancer Society in the State of Georgia. But, unfortunately, Mr. President, we'll have to wait a little longer than November 2d. In Georgia, because of reapportionment in the courts, we have to wait till November 30th to get Dick elected to the Congress. But we're willing to wait.

Dick's going to ask the question.

Mr. Winder. Good evening, Mr. President.

The President. Good evening, Dick.

1982 Elections

Mr. Winder. It's a pleasure to talk to you tonight, and we are most anxious to know how you feel about the November 2d election. We hear a lot about what George Gallup says and also Dick Wirthlin, and we're very interested in how you feel that we will do on November 2d, with just 15 days left to go.

The President. Well, of those pollsters you named, I listen to Dick Wirthlin most of all. But I am optimistic.

We all know that tradition has it that the party that gets the White House, 2 years later then in this bielection, is supposed to lose a great many seats. I think we're going to do better than tradition calls for. We've got good candidates all over the country, and we've got the funding. And I think the issues are with us, the issues on the economy. Just as I said earlier, because four out of five, we're scoring. And the one that we are still waiting on, unemployment, has always been the last to come back.

Incidentally, with all of those people that are jumping on us about the unemployment and wanting to lay it on our backs, you might be interested to know that the rate of increase in this recession of unemployment was just about the same as the rate of increase in unemployment in all the seven recessions that have taken place since World War II, previous to this one. So, we know that now that interest rates are coming down—and inflation is bringing them down, the cut in inflation—we know that we can look forward to an improvement in that particular thing.

So, I don't think the American people are fooled by some of the demogoguery that's coming at us from the other side. I think we're going to do pretty good.

Mr. Rollins. Good luck, Dick, both on November 2d and on November 30th.

Mr. President, we now move on to Suffolk County, New York. We have an outstanding candidate, Paul Costello. And Paul has a very unique background, and we certainly can use him here to help us. Paul is the inspector general of the Suffolk County Welfare Association, former vice president of the State Welfare Fraud Investigators Association, and Paul himself will ask you the question.

Mr. Costello. Mr. President.

The President. Yes, Paul.

Mr. Costello. Good evening from Reagan Territory, U.S.A.

The President. Thank you.

Housing Programs

Mr. Costello. I'm here—[*applause*]—you just got a whole hand. I'm here with my mother, Margaret, who is a widow on a fixed income living in rental housing. The cost of housing has increased year after year with future generations being confronted with a lack of decent, affordable housing. My question, Mr. President: Do you have a program dealing with affordable housing? And, if so, what aspects of this program deal specifically with senior citizens?

The President. All right. First of all, of course, is the obvious one, the interest rates, and as they come down, housing gets more affordable. But we're gone beyond that.

As a matter of fact, Housing and Urban Development under Secretary Pierce has been working with builders and with local and State officials having to do with regulations and so forth on the building of housing. And they have been working at some experiments that, so far, have shown they can reduce the cost of the kind of housing we're talking about by about 20 percent. And that is quite a considerable accomplishment.

Also, now, they are working and working through the title 8 program with regard to building of rental properties, particularly for senior citizens, that will be smaller than something that has been built in the past. And for many senior citizens, that is desirable. They don't want needless space, and they do want an easy-to-care-for and affordable rental space. And so, that will further reduce the cost of producing housing of the kind that you're talking about.

Mr. Rollins. Mr. President, we now move on to Texas, the 14th Congressional District there, and we have Joe Wyatt. And Joe, as you know, is a former Congressman from Texas who was elected as a Democrat in 1978, chose not to run again as a Democrat in 1980, and retired voluntarily, and is now coming back to run as a Republican. And we think it's one of our best shots in the country. And we really want to not only welcome to the party but welcome back as a Republican Congressman.

Asking the question at Joe's fundraiser will be Pat Jarvis, who's a strong supporter of yours.

Ms. Jarvis. Good evening, Mr. President, from Reagan country in Sequin, Texas.

The President. Well, good evening, Pat.

Congressional Support

Ms. Jarvis. My question to you is—the people here in this part of Texas are hard-working, commonsense conservatives who, polls show, overwhelmingly support your economic program. But last year, Congressman Patman ranked with Congressman Mickey Leland and Henry B. Gonzalez in fighting against your economic program. How does it affect people here who support you when they have a Congressman fighting your program?

The President. Oh, Pat, as a former

Democrat myself, let me really answer this one.

To have them fighting against that program, when they have no alternative except to go back to the programs which they themselves put into effect for the last two or three decades, and which caused the problems and the trillion-dollar debt and so forth—here's what happened.

Let's take our economic program. We called for three 10-percent installments in cuts in the income tax to be retroactive to January 1st of 1981. We got on the first one, 5 percent, but not going into effect until October 1st, all those—about 8 months later.

Then we had some further setbacks in not getting all of the spending cuts we wanted. And this was because in the House the majority is Democrat and under Democrat leadership, and they name all the chairmen of the committees and the majority to the committees.

We see such things as the balanced budget amendment and Tip O'Neill's leadership, they had that amendment bottled up in a committee in the House for over a year. The Senate passed it by a two-thirds majority, and finally on the last day of this session, before they recessed for the campaign, it was brought to the floor by 218 signatures on a recall petition. They never would have let it out. But then, having it brought to the floor that way, they brought up a phony amendment that would never work so that their Members could go home and say that they had voted for a balanced budget amendment, even though it failed. And then when that one was roundly defeated and the regular amendment came up on the floor, before we had time to marshal people like yourselves to let their Congressmen know what they wanted, it failed. It got a majority. But it takes a two-thirds majority for an amendment. So, it didn't pass.

We're going to get it again. And to get it again, we need Joe Wyatt. We need candidates, we need Congressmen there who will provide the votes that we need to give the people what 80 percent of you have said you wanted in the polls. And that is a constitutional amendment that requires the Congress to balance the budget.

Mr. Rollins. It'll be nice, Mr. President, having Joe Wyatt here, having had a little experience in the Congress. When we bring 30 or 40 new freshmen Republican Congressmen here in January, Joe will be able to show them around a little bit.

The President. Yup.

Mr. Rollins. For our last visit, Mr. President, tonight, we're going to go to St. Louis, Missouri, and we're going to be there with Mayor Harold Dielmann, who's our candidate in the Missouri Second District. Harold is the mayor of Creve Coeur, and while there he's cut taxes three times, while he was the mayor there. He's a former president of the St. Louis County Municipal League, and that's the kind of local official we need to have here in Washington. Harold's going to ask you the question himself.

The President. All right.

Mayor Dielmann. Good evening. [*Applause*]

The President. That sounds good, Harold. [*Laughter*]

Balanced Budget Amendment

Mayor Dielmann. Well, we're going to tell you all about the new home of the future St. Louis Cardinals here, the world champions, we hope, coming up in a couple of days here.

I'm holding in my hand here, Mr. President, a letter that was sent to all our constituents in our district by my opponent, stating how much he likes the balanced budget and how he actually sponsored the House bill number 350. And this letter is dated September 27th. And 4 days later, October 1st, he voted against the balanced budget. So, those kind of people we really don't need in Washington.

I guess what I'm wondering is: Do you think we can get the balanced budget passed next year? And what can we do to help you?

The President. We're going to try when they come back. I don't know whether we can get it in the special session that we're calling after the election. There's going to be a pretty full plate right then, but we're going to try. And I know that Barber Conable is ready with such a bill. But if not then, when they come back, in the regular ses-

sion in January we'll go at it again. Only this time, what you can do to help is—and you all know that out there—and that is, when you tell the Congress that you want something—by mail, by wire, by phone call, by meeting them on the street if they're home for a weekend or something, but turn the pressure on. I have sometimes said it isn't necessary to make them see the light; it's only necessary to make them feel the heat.

Now, that's what we did to get our economic reform program. We never would have gotten it if you, the people, had not stormed Congress and let them know that you were watching and counting the vote. And this is what we need to get the congressional amendment.

Mr. Rollins. Well, unfortunately, Mr. President, we don't——

The President. Well, listen, let me say—I know what you're going to say. You're going to say that—let's take one more, huh?

Mr. Rollins. Okay. Well, Mr. President, then we'll go to Tallahassee, Florida, where we have an outstanding candidate, Ron McNeil, from the Florida Second Congressional District. He's president and founder of the American Sports Company. And we hope to have him here in January with us. And he's going to ask the question himself.

[*At this point, technical difficulties prevented the transmission of Mr. McNeil's question. When the problem was resolved, Mr. McNeil continued.*]

Mr. McNeil. Mr. President?

The President. Yes.

Congressional Support

Mr. McNeil. I want to compliment you on your efforts to regain control of our Federal Government. We'll be there to help you shortly.

We'd appreciate it if you would clear up something for us once and for all. Mr. Fuqua, the incumbent Congressman in north Florida, tries to talk like a conservative when he's campaigning and like he's supporting your programs for economic recovery. Yet his voting record just doesn't support those claims. It must be frustrating, Mr. President, to have Congressmen who work against your programs and then come back to their districts and mislead the voters, saying they support you. What advice can you give us to help overcome these deceptive practices?

The President. You know, Ron, this is something that, down through the years, has bothered me very much, and that is the cynical individuals in government who recognize that people out there—all of you there who are listening, you're busy with your own occupations and activities and you don't have the time to follow up. So, they come home and they make a speech to the local Chamber or something or in a campaign they do as this Congressman Fuqua is doing. They state what they believe and so forth, and people go out and say, "Well, I agree with that," and vote for them. And they don't—they know cynically that they can get away with that when it doesn't match their voting record.

The only answer is, all of us have got to pay more attention. We've got to look up, as you have done, obviously, what that voting record is and make sure that they are the same in Washington as they are when they're back home in the district. And if we'll all do that, we can pin 'em down and make 'em a little more honest on that.

But it's been—well, maybe, that's one of the reasons why I'm an ex-Democrat. I just didn't like that that was going on. But it has been going on. And the thing is, most of all in this election that we must pin on them is this: What is their alternative to the things that we're doing? What would they do?

You know, there wasn't a question that let me answer this tonight, but let me just point something out. The closest they've come to saying something they'd do is talking about the expensive social programs, job programs, make-work programs that they always have passed in previous recessions as a quick fix to get us out of the recession. Only, when the recession was over, unemployment ended up higher than it was before the recession, and it's kept on going uphill all that way. Over just a few-year period on that kind of program, they spent in one of those efforts $66 billion, and unemployment went up. Now, we're trying to

get unemployment to go up [down],[1] and I think we're going to succeed by getting inflation and interest rates and government spending to come down.

So, I hope that does it. And pin his ears back.

Mr. Rollins. Mr. President——

The President. Now, wait a minute. Now, there is only one more.

Mr. Rollins. I know there's only one more, and as an old athlete, I know you'll never let me cut off a guy who was a former athletic director. That's our great candidate Bill Cobey in North Carolina, the North Carolina Fourth Congressional District. Bill, as you knew, used to be the athletic director at the University of North Carolina. He's now a consultant there for intercollegiate athletics. He's going to be a Congressman next January. And I know I'm not supposed to say this, but we may even come visit him the next couple of weeks in Raleigh, North Carolina.

Asking the question there is K. D. Kennedy, who is president of the Electric Supply Company, who is a Democrat for the first time supporting and working for a Republican congressional candidate, because he thinks you're doing such a great job.

The President. Oh.

Mr. Kennedy. Mr. President, thank you so much for being such a strong leader, and thank you for letting us be on tonight, too. We thought we were going to get bumped there for a minute.

The President. Well, Mr. Kennedy, I, too, was where you are now once, as I've said before here. I know your feelings, and I'm grateful to you, and thank you for the kind words.

Economic Recovery Program

Mr. Kennedy. Thank you so much, sir. Our candidate, Bill Cobey, is a strong supporter of a balanced Federal budget. What do we have to do to get a balanced budget amendment passed in the House of Representatives, and how will that affect your plan for economic recovery, which is already underway?

The President. Well, it definitely will help that program, because I can tell you the leadership in the House has made it very plain that if they can muster enough of a majority, they're going to try to cancel out the third installment of the tax cut, which is a very real and definite part. Next July 1st we're supposed to have another 10-percent cut in the income tax. And they want to cancel that.

There are other things that they want to change also. And just as of today the Speaker of the House finally has suggested as an alternative to what we're doing, actually has come out with a demand that they pass bills to spend money on make-work programs and so forth—the same thing they've done in all these past seven recessions, none of which ever had any permanent effect.

So, the thing we need is, you send Bill Cobey up here to Washington. And all over, all you other groups there, make sure that we get more Republican Congressmen in the House. We could not have had the economic recovery program and the cuts that we've now had in spending and taxes and the cuts in taxes and the reduction of inflation and all if we did not have a Republican majority in the Senate.

Now, I don't know whether we can get a majority all at once in the House, but we can work toward it. And we can get more votes and more people there who will continue to support these programs that are working. So, all of you, be missionaries. Get out there, tell the fellow next door, tell the people in the locker room, tell everyone you can, what is needed if we're to bring this country back.

Mr. Rollins. Mr. President, unfortunately we don't have any more time. But there are 10 additional campaigns out there, and I'd like to just quickly run through them for you, that have been tuned in all night.

Congressman Skip Bafalis, who's been an outstanding supporter of ours, who's running for Governor in Florida; Congressman Bill Thomas, House Member out in California; Shirley Gissendanner, who is an outstanding candidate in San Diego running for the House. Joan Houchen, who's a House candidate in the State of Washington; John Mahoney, who's a House candidate in the State of New Jersey; Pete Collumb, who's one of our Texas congressional

[1] *White House correction.*

candidates; Keith Pillich, who's a candidate in New York; Ray Redington, who's a House candidate in New Jersey; Tom Trimarco, who's a House candidate in Massachusetts. And our good friend, former Congressman Bill Royer, who we hope to get reelected and come back here and serve in the House from California.

The President. Those are all good candidates, and I'm sorry that we haven't been able to personally visit with all of those other meetings, where they are present. But it's been an enjoyable evening for me certainly. And never let it be said that we Republicans aren't generous to our opposition. If they want to hold one of these high-tech events, we'll even give them the two Dixie cups and 10 miles of string. [*Laughter*]

But, in closing, I just want to say how essential all of you are to our cause. It's an old truth, but every vote does count. And the results of this election will hinge perhaps more than anything else on voter turnout. The basic job of identifying supporters and getting them to the polls is still one of the most important in politics. Technology like we're enjoying tonight can't replace the hard work of getting out the vote.

As I've said, I believe we're going to do well. We've got fine candidates, a wide base of contributors, and efficient party organization. And we've got good issues—issues the people of this nation truly care about. It's up to you Republicans at the grassroots to make sure that the voters understand how important the choice is this year. The choice is between going back to old policies that didn't work or going ahead in the new direction that we've set.

We're on a new road now, a road that is leading America to better times. Unless we have the courage to stay on course and defeat our economic problems now, we'll never have lasting recovery, and our problems will grow worse than before.

Well, I intend to stay the course, and we're going to succeed. But we need your support. So, please promise me that you will mobilize and get out the vote for a great Republican victory on November 2d.

As I said last week on television, it isn't an easy job, this challenge to rebuild America and renew the American dream. But we can do it. Throughout our history we Americans have proven again and again that no challenge is too big for a free, united people. Together we can do it again, and we can start making those dreams come true by electing Republican candidates to office. We couldn't have done what we have, as I said, without out majority in the Senate. Think what we can do with more Republicans in the House.

Thank you again, and God bless you.

Note: The President spoke at 7:37 p.m. from the Washington, D.C., studios of the U.S. Chamber of Commerce. His remarks and the question-and-answer session were carried live to the campaign events.

Proclamation 4987—National Spinal Cord Injury Month
October 18, 1982

By the President of the United States of America

A Proclamation

Head and spinal cord injuries paralyze 10,000 Americans a year and many must use a wheelchair for the rest of their lives. The estimated total cost in dollars to society of these injuries exceeds $2 billion annually. An additional tragic toll is exacted in diminished personal happiness and productivity. The devastation of spinal cord injury is compounded by the youth of those it strikes: Two-thirds are 20 years of age or younger.

Medicine has advanced to the point that a 15-year-old suffering a severe spinal cord injury has a nearly normal life expectancy, but during the remaining years, these people may experience injury-related health difficulties and incur heavy medical

expenses. The enormity of the problem can be seen by the number of people involved—200,000 in the United States alone.

The goals of the Nation's Comprehensive Research Program on Acute Spinal Cord Injury and Paraplegia are to improve outcome and restore lost function. Today's promising experiments suggest that the riddle of regeneration may one day be solved. Devices to restore movement and control bladder function are also being explored. Both Federal and private organizations have joined forces in these common goals.

Now, Therefore, I, Ronald Reagan, President of the United States of America, in accordance with Senate Joint Resolution 249, do hereby proclaim the month of October 1982, as "National Spinal Cord Injury Month," in recognition of the courage of those who live with spinal cord injury and the efforts of scientists who are seeking answers.

In Witness Whereof, I have hereunto set my hand this 18th day of October, in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 11:31 a.m., October 19, 1982*]

Note: The text of the proclamation was released by the Office of the Press Secretary on October 19.

Statement on Signing the Convention on the Physical Protection of Nuclear Material Implementation Act of 1982

October 19, 1982

I have signed into law H.R. 5228, the Convention on the Physical Protection of Nuclear Material Implementation Act of 1982.

This step symbolizes our firm commitment both to preventing the spread of nuclear explosives and to fighting the scourge of terrorism. Nuclear proliferation threatens global security, and preventing it is critically important to the United States. Terrorism threatens the fabric of society by indiscriminately aiming violence at the innocent. The commitment of this administration against these global problems has been, and will continue to be, firm and unshakable.

The step I have taken also symbolizes longstanding objectives of the United States people and Congress. The Convention on the Physical Protection of Nuclear Material and the implementing law drew strong, bipartisan support. Such a bipartisan approach is essential for effective action in this area.

The act implements an international convention negotiated at the initiative of the United States and signed in March 1980. This convention calls for adequate physical protection of nuclear material during international transport and for international cooperation in recovering stolen nuclear material and in dealing with serious offenses involving such material. The Senate approved the Convention by 98–0 in July 1981, but deposit of the U.S. instrument of ratification has awaited enactment of this implementing legislation.

It, too, had overwhelming legislative support. The implementing act amends the Federal Criminal Code to make theft of nuclear material, nuclear extortion, and similar serious offenses involving nuclear material Federal crimes. This fills a gap in U.S. Federal criminal law and establishes jurisdiction over most of these offenses wherever committed, and the offenders are subject to a system of extradition or submission for prosecution. In emergencies, the Attorney General can obtain assistance from the Department of Defense in enforcing the act.

The United States is a leader in the international campaign to prevent nuclear proliferation and terrorism, and the Congress is

to be commended for its important contributions in these fields. With respect to the act I have signed, Senators Thurmond, Percy, and Mathias and Congressmen Hughes, Sawyer, Rodino, and McClory, among others, deserve special credit for their efforts. I am pleased that the Congress and the administration are taking this step together.

Note: As enacted, H.R. 5228 is Public Law 97–351, approved October 18.

Remarks of President Reagan and President Amin Gemayel of Lebanon Following Their Meetings

October 19, 1982

President Reagan. It's been a great pleasure for me to meet today with President Amin Gemayel of Lebanon. Our talks have covered a full range of issues, with particular focus on our shared objective of prompt withdrawal of all foreign forces from Lebanon.

We also discussed Lebanon's goals in restoring authority and control of central government in all parts of the country. In this regard I reaffirmed the United States support for the sovereignty, unity, territorial integrity, and freedom of Lebanon. And I'm pleased to have had the opportunity to establish a close working dialog with President Gemayel, who deserves all of our support as he and the people of Lebanon work to rebuild their nation.

President Gemayel can rely upon the help of the United States. It is my hope that our mutual efforts will lead to restored peace and prosperity for all the people of Lebanon and indeed in all of the Middle East.

He has been most welcome here, and we're pleased to have had him with us.

Mr. President.

President Gemayel. I am honored to be the first President of Lebanon to make an official visit to the United States.

The Lebanese people deeply appreciate and will never forget your gracious and decisive efforts to help bring an end to the suffering of my country. American commitment to the sovereignty and territorial integrity of a free, democratic Lebanon has been fundamental to our survival. We see the U.S. role as the indispensable ingredient to being peace not only to Lebanon but also to the whole region as well. We firmly believe that President Reagan's initiative has created unprecedented opportunities for peace.

We in Lebanon intend to be active in the search for peace with all nations of the region. The relation between the United States and Lebanon is not only between our two governments; it is between our two peoples, who share the same heritage and adhere to the same values and principles of democracy and liberty. The 2½ million Lebanese have almost equal number of close relatives in the United States. We value enormously the unique tie provided by these American Lebanese, among the most loyal of all Americans, and we believe they have a leading role in keeping our two countries together.

Lebanon has been the most recent and, for us, the most painful example of the assault upon free men by the forces of darkness and occupation. We have fought to retain our freedom, and the strength of our resistance has earned for us not only a restated pride in ourselves but also a reentry into the ranks of the free world. With equal resolve, I, together with my people, am committed to the immediate removal of all foreign forces from our soil and to work hand in hand with all sectors of Lebanese society to build a nation in which all citizens have equal privileges, rights, and responsibilities.

The historic U.S.-Lebanon relationship is the cornerstone of building this new Lebanon. America's friendship and assistance not only in peacekeeping and peacemaking but also in reconstruction and rebuilding our

armed forces are vital. We, on our part, intend to carry our share of the responsibility of this partnership by a full and reciprocal contribution to all U.S. goals in its many noble endeavors as the leader of the free world.

Thank you.

Note: President Reagan spoke at 10:18 a.m. on the South Grounds of the White House.

Earlier, the two Presidents held a breakfast meeting in the Residence, joined by the Vice President, Secretary of State George P. Shultz, Assistant to the President for National Security Affairs William P. Clark, and Lebanese Minister of Foreign and Expatriate Affairs Elie Adib Salem. Then, following a private meeting in the Oval Office, the two Presidents met, together with their delegations, in the Cabinet Room.

Nomination of Edmund T. Dombrowski To Be a Member of the Federal Council on the Aging

October 19, 1982

The President today announced his intention to nominate Edmund T. Dombrowski to be a member of the Federal Council on the Aging for a term expiring June 5, 1985. He would succeed Aaron E. Henry.

Dr. Dombrowski is an orthopaedic surgeon in Redlands, Calif. He also serves as attending assistant clinical professor of orthopaedic surgery at Loma Linda University. He is a member of the 12th District Medical Quality Review Committee (State of California). He is a member of the American Academy of Orthopaedic Surgeons and diplomate for the American Board of Orthopaedic Surgery.

He graduated from the University of California at Los Angeles (B.A., 1952; M.D., 1956). He is married, has five children, and resides in Redlands, Calif. He was born October 3, 1930.

Appointment of Norman C. Roberts as a United States Representative on the Joint Commission on the Environment

October 19, 1982

The President today announced his intention to appoint Norman C. Roberts to be a Representative of the United States of America on the Joint Commission on the Environment, established by the Panama Canal Treaty of 1977. He would succeed William A. Hayne.

Since 1972 he has been serving as financial analyst/investment counselor for Bateman-Eichler, Hill-Richards. He was branch manager/research director for J. S. Lore and Co., member firm of the New York Stock Exchange, in 1969–1972. In 1958–1968 he entered the investment counseling business and purchased a New York Stock Exchange membership and developed N. C. Roberts & Co. He was involved in clinical research for major pharmaceutical manufacturers and spoke at veterinary colleges in California, Colorado, and Ohio, in 1946–1958.

He graduated from San Diego State University (B.S., 1940), the University of California at Davis (B.S., 1946), Colorado State University (D.V.M., 1944), and the University of California at San Diego (Ph. D., 1981). In 1979 he received an honorary doctorate of humane letters from National University. He has four children and resides in La Jolla, Calif. He was born September 25, 1920.

Appointment of Four Members of the National Advisory Council on Continuing Education

October 19, 1982

The President today announced his intention to appoint the following individuals to be members of the National Advisory Council on Continuing Education for terms expiring September 30, 1985. These are reappointments.

Richard O. Brinkman is serving as president of Clark Technical College in Springfield, Ohio. He is married, has two children, and resides in Springfield.

W. Hughes Brockbank is chairman of the board of Pine Mountain Corp. in Oakland, Calif. He is a former State senator. He is married, has five children, and resides in Salt Lake City, Utah.

David O. Martin is director of State governmental relations for the Kimberly-Clark Corp. in Neenah, Wis. He is married, has three children, and resides in Neenah.

Morris Hadley Mills is serving as State senator for Indiana. He is married, has three children, and resides in Indianapolis, Ind.

White House Announcement Concerning the Conference on Free Elections

October 19, 1982

President Reagan has invited President Luis Alberto Monge of Costa Rica to participate in the Conference on Free Elections to be held in Washington from November 4–6. The President has accepted President Reagan's invitation.

President Reagan will host a luncheon at the White House during the event, which will be attended by other prominent government officials and political figures, scholars, commentators, analysts, and government officials from Australia, Botswana, Colombia, India, Jamaica, Nigeria, Papua New Guinea, Portugal, El Salvador, Spain, Sri Lanka, the United Kingdom, the United States, and other countries. The 3-day international meeting is being cosponsored by the American Enterprise Institute for Public Policy Research and the U.S. Department of State, in cooperation with the United States Information Agency and the U.S. Agency for International Development.

Secretary George Shultz will deliver the opening address on November 4 at the State Department. Jeane J. Kirkpatrick, U.S. Permanent Representative to the United Nations, will present a paper on elections and democracy at another session.

The conference is designed to provide a forum for the exchange of ideas on the strengthening of the electoral processes and basic democratic institutions in many countries of the world. The discussions are expected to explore practical options for encouraging free elections and constitutional governments.

The conference is a direct result of the initiative launched by President Reagan on June 8 in London to promote the growth of democracy and peace. At that time, he declared "we must take actions to assist the campaign for democracy" and announced the November meeting.

Remarks on Signing the National Housing Week Proclamation
October 19, 1982

The President. I thank you all for being with us for the signing of the proclamation designating the week of October 24 to 31 as National Housing Week.

These are days of new hope for housing—hope for millions of families that dream of owning homes, and hope for millions who make their livelihoods from building them. As today's housing starts report shows, the solid progress against the record inflation and interest rates we inherited is sparking a rebound in this bedrock industry, a rebound that will benefit the entire economy. We still have a long way to go and housing is still hurting, but confidence is returning and America is on the move again.

Americans by a wide margin feel that homeownership is a cherished tradition that binds families, builds financial security, and strengthens communities and economic growth. The long years of government borrowing and spending beyond its means had overwhelmed us by the late seventies, and that dream of homeownership became a cruel hoax as the housing industry plunged into the worst depression since the thirties, provoking widespread suffering amongst quite a few of our citizens.

From the moment that we arrived in office, less than 2 years ago, our administration was working to cure this terrible economic disease. We insisted on attacking the root causes, not just legislating by quick fix, and this is the only way to end the deeply embedded, high-inflation philosophy which inflicted so much harm on housing.

We are beginning to succeed. The interest rates are dropping sharply, housing starts are rebounding, and our economic recovery program that began in October of 1981, I think is taking hold. It's no coincidence that the conventional long-term home mortgage rates peaked at 18¾ percent the month before that program began. Long-term mortgage rates had fallen by a nationwide average to 13.38 by the week ending October 15th, last Saturday. Recent mortgage rate declines have made homeownership possible again for over a million families. And we saw today that the housing starts were 1,146,000 in September, and that's up 14.6 percent from August and up almost 22 percent from a year ago when the program began.

And the best news in today's report is that of the permits, which increased sharply—September, up 17 percent. A good share of the increase is single-family housing starts. And this increase in permits, combined with the substantial decline in mortgage rates over the past several weeks, makes the resurgence of housing activity in coming months more and more likely.

As we continue to make progress in bringing the long-term inflation and interest rates down, let's learn [from] our mistakes of the past and strengthen our determination not to repeat them. And we reaffirm today one of the most treasured rights that was won by the Founding Fathers—the right to own and hold property. For most Americans, that right embodied homeownership.

As we celebrate National Housing Week, let's remember we're also celebrating our industrial life. The steel we produce, the timber we harvest, the rock we quarry have an important place in the American home. The homes we live in today are testimony to the labor of men and women across this country. Housing is an industry in transition, regaining strength and the ability to produce a product the average working family wants and will be able to afford once again. This is welcome news, for homeownership is not just a symbol, it represents the American way of life. It's the key to advancement and to a better future for all of us. And as I said last night, a resurging housing industry can help to lead us out of the recession.

To reaffirm our commitment to restore the American dream, I am pleased to sign the proclamation designating October 24 to 31 as National Housing Week.

[*At this point, the President signed the proclamation.*]

Reporter. Mr. President, the analysts have attributed this upsurge in housing starts to federally subsidized housing. Is your administration claiming credit for the new housing starts after you vetoed the Federal housing subsidy bill?

The President. Well, I usually do not take questions at a photo opportunity, but I will just remark about this one.

We had the support of many in the housing industry in vetoing that, because it was not going to be something of a real increase, the increase that we needed. And it was just going to further set us back with regard to increased government spending, without doing the job that we see now is being done by sticking to the course of our economic recovery program.

Note: The President spoke at 3:30 p.m. in the Cabinet Room at the White House. Participants in the ceremony included Secretary of Housing and Urban Development Samuel R. Pierce, Jr., and several housing industry officials. Members of the press also attended.

Proclamation 4988—National Housing Week, 1982

October 19, 1982

By the President of the United States of America

A Proclamation

Historically, America's housing industry has been a major contributor to the growth of our Nation's economy and the well-being of our citizens. It has encouraged the social and economic values of homeownership, created jobs, and stimulated both individual and institutional investment.

Yet, in the last decade, no segment of our economy has suffered more from the twin afflictions of inflation and high interest rates. Young couples, low income families, lending institutions, builders, construction workers, realtors, and materials suppliers have all shared in the frustrations and failures brought on by the misdirected programs of the past and the changing economic environment. Our Administration's economic policies have produced dramatic declines in the rate of inflation and in interest rates. These achievements will serve as a catalyst for solid and widespread housing industry growth benefiting all Americans.

Recognizing the need for new options and directions for our national housing policy, the President's Commission on Housing was established on June 16, 1981. Given the urgency of the situation, this distinguished group of housing experts completed their massive study in a remarkably short time frame. An impressive report, containing a detailed series of recommendations, was issued on April 30, 1982.

The Commission's findings reflect a fundamental confidence in the free market system, a recognition that a genuine housing recovery, essential for us all, can only be accomplished through principal reliance on the strength and initiative of the private sector. The Commission stressed the need for free, unhampered housing markets and urged the removal of unnecessary, burdensome regulatory restraints. It recommended a comprehensive strategy of housing initiatives directed at people, rather than at structures. At the same time, the Commission reaffirmed our national commitment to equal housing choice and recognized a continuing role for government in providing housing for the poor.

Guided by this framework, this Administration has already undertaken a number of actions aimed at bringing about the resurgence of the housing industry. These include: the Joint Venture in Affordable Housing; the acceptance of new, flexible mortgage instruments; the proposal for a new rental housing certificate program; the encouragement of private pension fund investments in mortgages; and the elimination of a number of counterproductive Federal regulations.

Unquestionably, a housing recovery remains an essential national priority and all

Americans deserve the opportunity to live in decent, affordable housing. Through Senate Joint Resolution 261, the Congress has recognized the past contributions of the housing industry to America, reaffirmed our national commitment to a housing recovery, and requested the President to designate the week of October 24 through October 31, 1982, as National Housing Week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week beginning October 24, 1982, as National Housing Week and call upon the people of the United States to observe that week with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this 19th day of October, in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 11:45 a.m., October 20, 1982*]

Nomination of Edward Lionel Peck To Be United States Ambassador to Mauritania

October 20, 1982

The President today announced his intention to nominate Edward Lionel Peck, a career member of the Senior Foreign Service, Class of Minister-Counselor, as Ambassador to the Islamic Republic of Mauritania. He would succeed E. Gregory Kryza.

Mr. Peck served in the United States Army from 1946 to 1949 and in 1951–1952 as first lieutenant. He was a marketing trainee at General Petroleum Corp. in Los Angeles, Calif., in 1956–1957. In 1957 he entered the Foreign Service as an economic trainee in the Department. He was political and economic officer in Goteborg (1959–1962), attended Arabic language training in Tangier (1962–1964), was economic officer in Tunis (1964–1966), and principal officer in Oran, Algeria (1966–1968). In the Department he was Foreign Affairs Coordinator Officer in the Bureau of Intelligence and Research (1968–1971) and special assistant to the Under Secretary of State for Political Affairs (1971–1974). He was Counselor for Economic and Commercial Affairs in Cairo (1974–1977), and principal officer, Minister-Counselor, in Baghdad (1977–1980). Since 1980 he has been Director of the Office of Egyptian Affairs in the Department.

Mr. Peck graduated from the University of California at Los Angeles (B.S., 1956) and George Washington University (M.B.A., 1973). His foreign languages are French, Swedish, Arabic, and Spanish. He is married, has four children, and resides in Chevy Chase, Md. He was born March 6, 1929.

Nomination of Two Members of the National Science Board

October 20, 1982

The President today announced his intention to nominate the following individuals to be members of the National Science Board, National Science Foundation, for terms expiring May 10, 1988:

Robert F. Gilkeson is chairman of the board of Philadelphia Electric. He has been associated with the company since 1939. He was elected executive vice president and a member of the board of directors in 1962, was elected president in 1965, chief executive officer in 1970,

and chairman of the board in 1971. He is a member of the board of governors of the Electrical Association of Philadelphia and a member of the board of directors of the Edison Electric Institute (past chairman, 1974–1975). He is married, has five children, and resides in Wayne, Pa. He was born June 26, 1917. He would succeed Herbert D. Doan.

William F. Miller is president and chief executive officer of SRI International in Menlo Park, Calif. He has been associated with Stanford University since 1965. He served in various positions including associate provost for computing (1968–1970), vice president and provost (1971–1978) and professor of computer science and Herbert Hoover Professor of Public and Private Management in 1979. He is a fellow of the American Academy of Arts and Sciences, the American Physical Society, the American Mathematical Society, and the Society for Industrial and Applied Mathematics. He is married, has one child, and resides in Stanford, Calif. He was born November 19, 1925. He would succeed John R. Hogness.

Remarks at the Werries Family Farm in Chapin, Illinois
October 20, 1982

Governor Thompson, my friend Jim—incidentally, I have to tell you something I did this morning. I knew they weren't going to give me enough time to get to a telephone while I was here to make any telephone calls or anything. But I'd read something in the paper—that I did make a call—two calls here to this area before I left the Oval Office this morning.

Two wonderful children, Lisa Million and Tim Hutchcraft—and I know what you're all doing for them, those two young people of Murrayville who had that tragic accident. And I know the drive that has been started to help them out. But I think you'd like to know that this morning when I spoke to them I was speaking to two cheerful, plucky, courageous young people, and it just swelled my heart to be able to speak to them.[1]

Well, Larry, I appreciate the hospitality. This is quite a show you're putting on here. And what a pleasure it is for me to be back home in Illinois and in the district of my good friend Bob Michel. This is Jack Block's home State as well, and I know he's just as glad to get back here as I am.

Woodrow Wilson used to say about Washington that so many people who go there know so many things that aren't true, and so few people there have any idea of what the people of the United States are thinking about. Well, that's why I enjoy getting out of town. When I can't, it sure helps to tap the homegrown prairie wisdom of a couple of natives like Bob and Jack. It's also good to know that Jim Thompson is Governor of this great State. His leadership and judgment are key for the strong, secure future of Illinois.

Year after year, here in the Midwest you produce from your rich, black earth a bountiful harvest called the American equivalent of the oil riches in the Persian Gulf. The farmers of Illinois are among the most hard-working people anywhere. And to produce this abundance you carry an extraordinary burden for the Nation and the world. On behalf of the 231 million Americans whose cupboards you fill and for the millions more worldwide that you save from hunger, I bring you thanks.

You know, I once addressed a farm group in Las Vegas, Nevada, when I was Governor. And I've told this little story of what happened before, but you have to put up with it at my age. That's one of the problems; you tell stories over and over again. [*Laughter*] One of those fellows that was in Las Vegas for the action saw me, recognized me, and said, "What are you doing here?" And I told him. "Well," he says, "What's a bunch of farmers doing in Las Vegas?" And that was a straight line I

[1] *The President called the 13-year-olds at St. John's Hospital in Springfield, Ill. Each had lost an arm in an October 18 accident during a hayride. Their arms were surgically reattached at the hospital.*

couldn't ignore. I said, "Buster, they're in an occupation that makes a Las Vegas crap table look like a guaranteed annual income." [*Laughter*]

But with so much on the line in these difficult economic times, I know you need more than just a pat on the back. Things haven't been so good down on the farm in recent years. You've been hurting, and all of America has been hurting with you. If things are to go well for America, they must get better for the American farmer. To make America well again, to untangle the wreckage past big spending and big taxing made of our economy, we've got to make it profitable to be a farmer again.

From the moment that we arrived in Washington—and thanks to the key support of leaders like Bob Michel—we've been working hard to do just that.

The soaring cost of energy was one of the thumbscrews tightening the cost-price squeeze on the farm. We moved immediately to accelerate oil decontrol and dramatically increased our Strategic Petroleum Reserve to guard against sudden interruption again of our energy supplies. And I'm happy to tell you our reserve is now one of the largest in the world. And you may have noticed recently that in spite of what some of the screaming critics said at the time, who wanted the controls left on, gasoline didn't go to $2 a gallon. And the prices no longer lead inflation, but are actually helping to hold it down. This administration will ensure that our people and our economy are never again held hostage by the whim of any country or any cartel.

We also reduced the tax burden and reformed the tax code to make it more fair for all Americans. One reform I'm particularly proud of addresses a special problem for farmers: estate taxes. As I promised in the campaign of 1980, we're increasing the exemption so that by 1987, 99 percent of all family farms and estates will be exempt. And we eliminated it altogether for a surviving spouse.

And let me say that there's one other major promise of 1980 that we've also kept. We've lifted the weight of America's foreign policy from your already overburdened shoulders. We ended the Soviet grain embargo, as Jack just told you.

Our farmers, I know, are among our most patriotic citizens. I know you care about freedom and a strong America. But American farmers once had a 70-percent share of the Soviet grain market. When the embargo was imposed, the Soviets still got their grain, but they bought it from our eager competitors. Today, we've worked our way back to a 35-percent share, but we have a long way to go to regain lost ground. We still are suffering the loss of about 80,000 potential jobs; farm prices are lower; and our economy is weaker.

You have to fight the weather. You have to fight insects. You fight all kinds of natural disasters that can happen in farming. You shouldn't have to fight your own government. And you're not going to have to.

That embargo was bad foreign policy. It was bad domestic policy. And I'm proud that we were able to take it off. For every $1 billion in additional farm exports, our economy gains an additional billion dollars and 35,000 jobs in farm-related activities.

During the 1980 campaign, in a speech I made near here, I promised my personal support for expanding our agricultural exports. And that pledge remains a priority today. We're doing what must be done to increase our exports, restore our reputation as a reliable supplier, and regain our market share.

Next week, U.S. representatives will meet with the Soviets in Vienna to discuss additional grain purchases beyond the 8 million metric tons called for in our current agreement. And I've instructed Secretary Block to make available a total of 23 million tons in the coming year. The same assurances of reliable delivery that apply to the 8 million will go with the additional purchase of grain—up to 15 million tons—if the U.S.S.R. will buy the grain this November and provided the grain is shipped within 180 days of contract date. These assurances, of course, also apply to soybean and other agricultural exports.

Nothing means more to the health of American agriculture than restoring our reputation as a reliable supplier. To do this, we've committed your government to an export policy with three key points. First, there will be no restriction on farm prod-

ucts because of rising domestic prices. Second, farm exports will not be singled out as an instrument of foreign policy except in extreme situations, which I think you would all understand—such as a war or something of that kind—and then that would only be as part of a broad trade embargo supported by our trading partners. And, third, world markets must be freed of trade barriers and unfair trade practices.

Free trade is in all our interests, but because of foreign subsidies and protections, our farmers are being pitted against the economic strength of the national treasuries of other countries. All nations, particularly our friends in Europe and Japan, must be made to understand that trade is a two-way proposition. And Secretary Block has already announced our new blended credit program to encourage long-term growth for our farm exports.

I know you face a real uphill battle here on the farm. Sometimes you may wonder if anyone is listening to your problems. Well, I'm listening, and you have the ear of a very able advocate in the House of Representatives—my friend Bob Michel. Bob is constantly fighting your battles and bringing them to my attention. Bob has also made me very aware of the high unemployment and the hardships here in the counties of rural Illinois.

And I know that this recession only adds to the challenge of soil conservation—a challenge you confront very well in this exhibit today. Well, you're not alone. This administration is committed to working toward an effective soil and water conservation program to strengthen American agriculture. We've begun targeting Federal funds to areas with the most severe problems, which should make a real difference in our battle against erosion.

But I have an idea that if you were making more money from your crops, then more of you could afford some of this great new machinery that's on display. And if you bought more machines, companies like those represented here today could employ more people to make them. And a healthy chain reaction would ripple through our economy—more food, more money, and more jobs. That's why I believe so strongly that the best farm program is one that returns prosperity to all sectors of the economy.

Now, I heard it said recently by someone on the other side that the economy was in a state of boom when I took office. Well, if they mean that was the sound the economy made when it fell off the edge and hit bottom, okay. [*Laughter*] But those of you in the real world, those of you who are not suffering from selective amnesia, might have another idea.

1980 wasn't so long ago that you're likely to forget a peak of 18-percent inflation or prime interest rates of 21½ percent. Unemployment was on a steady, decade-long, upward course. We were careening toward catastrophe. And yet some of our leaders are asking us to go back to the policies that caused all that. Today inflation is averaging 5.1 percent—better than that in the last month or two, where it was down around 2 or 3 percent. And interest rates have tumbled to a 2-year low of 12 percent.

I don't have to tell a group of farmers what that means. You know that your costs went up only 2 percent this year, a marked improvement over the 8- to 10-percent jump the year before. I don't want to go back. Do you? Well, for every 1 percent that we drop those interest rates down on farm debt, net farm income goes up an estimated $2 billion.

Can anyone really believe that going back to double-digit inflation is a program for agricultural prosperity? Do you think those crippling interest rates were a program of compassion? Do you want to return to the spend and tax and borrow big-brother government that some of the hand-wringers are proposing? I don't think you do.

Yes, we're on a difficult road, but it's the one to a lasting recovery. And I can promise you today that with your help we're going to stay the course. Fresh evidence that our program is working will soon be felt in the farm community as interest rates continue to come down as the result of our economic recovery program. We're also able to bring down interest rates that farmers pay for their loans.

Today I'm happy to be the first to tell you that at 3:30 eastern time—and that's

right about now—the Farmers Home Administration, which has already lowered its interest rates last month, will announce that effective November 1st they're coming down again. These reductions are possible because of a general move toward lower interest rates across all sectors of the economy.

In the farmer programs, the interest rates for farm-operating loans will drop from 13¼ to 11½. Farm-ownership loans will be reduced from 13 down to 11½. Interest rates for limited resource farm operating loans will be lowered from 10¼ to 8 percent. And limited resource farm ownership loans will drop from 6.5 to 5¾.

Farmers who qualify for natural disaster loans will also benefit. The rate for production loans to farmers who need financing above the actual loss they suffered and who can't get credit elsewhere will be eligible for loans at 14 percent, down from the current 15½ percent. Borrowers who can get credit elsewhere but prefer to use Farmers Home disaster loans will receive a 14¼-percent rate. The rate for actual losses remains at 8 percent.

Interest rates for single-family housing loans will drop from 13¼ to 11½ percent—except for those who can afford the rates charged by the Department of Housing and Urban Development, and their rates will drop a full percentage point, from 13½ to 12½ percent. Loans for multifamily housing will drop from 13¼ percent to 11½ percent.

All of these changes will help to breathe new life into America's farm economy, and they couldn't have happened if our recovery program hadn't brought down those skyrocketing interest rates of the past years.

Now, unfortunately, some are trying to make political hay out of the pain that you feel—pain caused by 20 years of irresponsible management in Washington. Some even seek partisan, political gain in scare talk. But in the words of Franklin Roosevelt, "The overwhelming majority of people in this country know how to sift the wheat from the chaff in what they hear and what they read. They know that the process of the constructive rebuilding of America cannot be done in a day or a year, but that it is being done in spite of the few who seek to confuse them and to profit by their confusion."

That's just as true today. I'm not interested in playing the political blame game. It's not who to blame that's important; it's what to blame, and the American people realize that. We must keep our sights clearly focused on our goal, with a clear understanding of what got us into this mess and with a firm will to do what it takes to get us out. We've been sorely tested, but this great nation of ours has a deep reservoir of courage and strength to draw on. We Americans have never been quitters, and we aren't about to quit now. And together, we're going to make America great again.

Now, before I leave there's one more thing I want to do. It gives me great pleasure to honor the division of marketing of the Illinois Department of Agriculture for its contributions to our country's export expansion program.

Exports means jobs and profits for America's agricultural industry. But they also are an important ingredient in the battle against our nation's economic problems. Export expansion will come from efforts like yours that assist in promoting America's agricultural export. We appreciate the initiative that you've shown in developing a wide range of activities to promote Illinois exports. Congratulations for your extraordinary efforts and success in promoting American export trade.

And now it is my honor to present the President's "E" Award for excellence in export service to the division of marketing, Illinois Department of Agriculture. Thank you very much, and God bless you.

There you are, there you all are, and I'm proud and happy to be able to do that. Well, again, thank you all, and God bless you.

Note: The President spoke at 2:17 p.m. at a site on the farm of Leland and Virginia Werries. Mr. Werries' son Larry is director of the Illinois Department of Agriculture.

Following his remarks, the President watched a tillage demonstration, which was part of the 1982 Conservation Tillage Exposition. He then left the farm and traveled to Peoria, Ill.

Nomination of Edward J. Derwinski To Be Counselor of the Department of State
October 20, 1982

The President today announced his intention to nominate Edward J. Derwinski to be Counselor of the Department of State. He would succeed James L. Buckley.

He was first elected to the House of Representatives in 1958 and has been a member of the House Committee on Foreign Affairs since 1963. He also serves on the Subcommittees on International Organizations and International Security and Scientific Affairs. He is ranking minority member of the House Post Office and Civil Service Committee, on which he has served since 1961, where he is also senior Republican member on the special Subcommittee on Investigations, as well as ex officio member of all other subcommittees. He is cochairman of the Commission on Congressional Mailing Standards. He served as a delegate with the rank of Ambassador to the United Nations for the 1971 General Assembly session.

Congressman Derwinski is the U.S. Congressional Representative on the council of the Interparliamentary Union, an international body comprised of legislators from over 100 countries which have parliaments or their equivalent. He is the regional whip for Republican Members of Congress who represent midwestern States. He was the first chairman and founder of the Republican Study Committee, a group of conservative House Members who work to promote responsible principles of government. He represents his Illinois colleagues on the National Republican Congressional Committee.

He graduated from Loyola University (B.S., 1951). He served in the Army during World War II. He is married, has two children, and resides in Arlington, Va. He was born September 15, 1926.

Remarks at an Illinois Republican Party Rally in Peoria
October 20, 1982

The President. Senator Percy, the representatives, the Members of Congress who are here, the candidates who are here, Corrine Michel, who is here, and I too am very proud of my two good friends from another life that are here with us tonight—Mr. Mayor and, of course, the man whose campaign has brought us here, Bob Michel.

You know, I've been here before. I don't mean during the campaign. I was here then of course; and I don't mean in this fine, new facility. That's a first for me. But I remember coming here to play football against Bradley. And Bradley won that night, or I wouldn't have brought the subject up. But as enthusiastic as you are, I'm sure that you were—I thought maybe you were expecting the Bradley Braves. Bradley University has given us not only last year's NIT champions—and I just met them outside here—but it's given us that outstanding Republican leader of the House of Representatives, Bob Michel.

Bob is a graduate of Bradley. He's received an honorary doctorate from Bradley. He's a member of the board of trustees of Bradley. Bob, have you gone out for the team yet? [*Laughter*] Well, I tell you, if he did he would make a fine captain. He is one of the most effective Republican minority leaders of this century. But I dream of a day—I know it cannot happen in just one election—but I dream of a day when I can stand up here and say, "a fine majority leader of the House of Representatives."

Let me tell you something about Bob. He's been your Congressman for 13 terms, not because he likes the prestige—that gets old fast. He's not a Congressman because he likes being away from his family. He is not

in it for the money. He could do a lot better out in the private sector. Bob Michel is a Congressman because he believes in something. He believes in the values of Illinois and the values that built this country. For 26 years he's been working for those beliefs and for you, the people who share them. I don't know what this country would do without the sacrifices of people like Bob Michel.

You know, there were times this year when he could have taken the easy way out on certain votes; yet he did what he believed was best for America. He put country before politics. Now he doesn't always agree with me, like on the pipeline sanction, but he makes his arguments genuinely and honestly, and they cannot be ignored. And that kind of integrity is hard to find.

I know how you feel, so I'm just going to say something. I think a man of Bob Michel's character and principle deserves a standing ovation from all of us, an ovation born of appreciation for what he has done. [*Applause*] Now, if I were still in show business, I'd have quit right there. [*Laughter*]

Illinois has a lot of other fine Republicans, like Governor Thompson, whose reelection victory—[*applause*]—we'll be celebrating his election victory in less than 2 weeks.

And there's another excellent Illinois Republican I'd like to mention—Ed Derwinski, one of the highest ranking Republicans on the House Foreign Affairs Committee. We don't want to lose Ed's experience when he leaves the Congress at the end of this session, so we've taken care of that. Tonight I'm announcing that I intend to nominate Congressman Derwinski to the post of Counselor at the State Department, a good man in one of the most important posts in our country.

But I also wanted to come tonight so I could speak directly to the people of this area, to the people who've lost their jobs at Caterpillar and Pabst and Hiram Walker. Bob has told me personally—and, I might say, eloquently—of the hardships of the people in his district. He understands what's going on out there. So, perhaps this might be a good time to say something about those pipeline sanctions.

I know they're not popular with Peoria or Bob Michel. But a President sometimes has to make decisions that are painful to even his best friends, and it's one of the toughest parts of the job. We must remember the sanctions were imposed as tangible evidence of our opposition to the Soviet inspired repression of the Polish people. But there were additional reasons, even had that not happened.

It seemed to us that our European friends and allies were putting themselves in a dangerous position of dependency on an undependable provider, the Soviet Union, for the energy that would run their industry. And it also seemed to us that, inasmuch as that dependency would turn over about $10 billion a year in hard, cold cash to the Soviet Union, it would enable them to further build up their military might which is the greatest buildup of military might the world has ever seen. And so, we felt that something had to be done. The sanctions have substantially hurt the Soviet Union already, but, of course, they've hurt some of our own companies such as Caterpillar as well.

The Siberian pipeline will be a major source, as I said, of hard cash income for the Soviet Union for decades, and I won't go into all the geopolitical reasons why that could be dangerous. I know it's the loss of jobs that's of more immediate concern to Peorians right now.

We're receptive to alternative measures that would be equally or more effective than the current sanctions. Certainly, if we can establish restrictions that put greater pressure on the Soviets and less on our own companies, we will enthusiastically consider them. And we've been in constant consultations with our NATO allies trying to bring that about.

Tonight in homes across the country, including a home at 1600 Pennsylvania Avenue, unemployment is the problem uppermost in everyone's mind. Getting Americans back to work is an urgent priority for all of us, and, other than keeping the peace, I have no higher priority.

You know, there's a story about a fellow who said to a friend of his, "I was sorry to hear that your wife ran off with the gardener." And the fellow said, "Well, that's all right. I was going to fire him anyway."

[*Laughter*] When it comes to the economy, that's about how scrambled the logic has been in recent years. And scrambled thinking led us to a scrambled economic mess.

Americans are asking themselves, how do we straighten out this mess? Well, you can't solve unemployment without solving the things that caused it—the out-of-control government spending, skyrocketing inflation, and the interest rates that led to unemployment in the first place. Unless you get at the root causes of the problem—which is exactly what we're doing—you may temporarily relieve the symptoms, but you'll never cure the disease.

I realize there is hardship in Peoria. And if I thought what we were seeking to accomplish would be only temporary, I wouldn't ask for your patience. But for the first time in our postwar history, we're trying to build a recovery that will last and not just a quick fix to see us through the election.

You know, before we went to Washington, those in charge of the economy ran it with the accelerator to the floor; then they'd slam on the brakes; then they'd swerve to miss the oncoming crisis; then they'd swerve back; and then they'd floor it again. But you can't run an economy or a car that way without eventually wrecking it. And that's exactly what was happening.

In January of 1977, just after Jerry Ford left the White House, inflation was at 4.8 percent. The prime interest rate was under 7 percent. You could get a home mortgage for 9 percent, and consumers could afford not only mortgages but auto loans. But then America took a giant step backward.

How many of us remember we had 5 economic programs proposed in 4 years? Our economic policy was flip-flopping like a fish on dry land. And those five programs of the last administration left us with five gigantic headaches. But wait a minute—maybe I should only say four, because the fifth economic program was proposed in August just before the 1980 election, and that was the only one that proposed a tax cut. They said it would be $27 billion. Well, they never gave us the tax cut, and the program was never implemented.

By the time we took office, we faced double-digit inflation, high unemployment, a 21½-percent prime interest rate, runaway government spending, and the highest peacetime tax burden we have ever known. We also had nearly a trillion-dollar debt. Now, that means that this year, before the Government can spend a dime to feed the hungry, care for the sick, or protect our freedom, it must plan to spend $110 billion in this one year just to pay the interest on that debt. $110 billion is much more than the total Federal budget was just 20 years ago. And still the big spenders wonder why the American people want what a stubborn minority in the House denied them—a constitutional amendment to balance the budget. They're going to get another chance to vote on that, because we're going to keep shoving it at them.

Our nation is still paying the penalty of those tragic excesses of the past. Unfortunately, many are paying with their jobs. I didn't cause this recession. Bob Michel didn't cause it. But I do have a responsibility for getting us out of this recession, and I can't do it without Bob Michel in the Congress.

We all want a strong and lasting economic recovery. And there isn't a Member of the House of Representatives more critical to making recovery happen than Bob Michel. Recovery means jobs. Bob Michel's reelection means jobs. From our very first day, we've been working to undo the economic wreakage that was left behind. As a matter of fact, when I finished taking the oath on office on that January Inaugural Day, the first thing I did was go back into the Capitol Building—and I didn't even take off my topcoat—I signed a memorandum freezing the size of the Federal Government.

At my age, I didn't go to Washington to play politics as usual. I didn't go there to reward pressure groups by spending other people's money. And most of all, I didn't go there to further mortgage the future of the American people just to buy a little short-term, political popularity. I wanted to try and solve some problems, not sweep them under the rug and leave them for those who would come along later.

Now, I don't pretend for a moment that in 21 months we've been able to undo the

damage of 20 years or more. Twenty-one months ago, we faced five immediate and critical problems: runaway spending; double-digit inflation; the worst interest rates in a hundred years; the highest peacetime tax burden, as I've said, in our history; and high unemployment. But we've made dramatic gains on four of those five problems.

The inflation rate that reached a high of 18 percent in January of 1980 has been cut to 5.1 percent for the first 8 months of this year. The experts said it couldn't be done, but we did it. The prime interest rate, that had reached 21½ percent before we came to office, is now down to 12 percent, and we're not finished with it yet. We've cut the annual growth in spending—government spending—by nearly two-thirds. And we will have cut tax rates 25 percent by next July.

And look what's been happening to the stock and bond markets. They're trying to pooh-pooh that a little bit on the other side. But if you haven't noticed, the market today closed 20 points up at 1034 plus .12, and that is the highest point the market has hit since early 1973, 10 years ago.

Confidence is returning to America's economy. Sadly, unemployment is always just about the last to feel a recovery. If you'd look at the charts that they can show you of those seven preceding recessions, and they go up in a big—and then they go down. But each time, when they come out of the recession, unemployment stays a little higher than it was the time before. So, it always starts from a higher level. That's why the other day I said that I'd take the responsibility for the 2.7 percent that unemployment's gone up since I took office, if they'll take responsibility for the 7.8 percent that it was up before we took office. But we're going to beat that just as we're beating the rest of the economic problems. And when we get it licked, this time, it's going to stay licked.

Now I just want to see if you've been paying attention this evening. So, I'd like to give you a little true-false exam. Having gone to school not too far from here, I'm feeling very academic. [*Laughter*] If the statement I read is true, you say "true," and if it's false, you say "false."

First question, we've knocked the inflation rate down by half and—or more—and we're going to keep it down there.

Audience. True.

The President. We've reduced interest rates in this country, and we're going to reduce them even further.

Audience. True.

The President. Here's a hard one. We've cut both the growth in Federal spending and Federal income tax rates, and we're not letting either one of them rise again.

Audience. True.

The President. We're going to beat that devil unemployment and provide real and lasting jobs for the people of this nation.

Audience. True.

The President. I want the people of Illinois, the people of America—well, wait a minute, here's the last one. Bob Michel is the best darn Congressman this district ever had.

Audience. True.

The President. We'll send you your certificates of graduation right after November 2d. Well, you pass. I knew this was a smart area; that's why you keep sending him back to Congress.

We're on a new road now, a road that's leading America to better times. But we've got to keep the courage to stay our course. It's the only way to lasting recovery. If we don't, our problems will just grow worse than they were before. And that's the sad, sorry history of past decades—lost nerve and squandered opportunities. The people deserve better from their leaders. And I want all of you to know this: that I intend to stay the course and to turn this economy around, and I need your help to do that.

So, please promise me that you will mobilize your friends and neighbors to get out the vote for a great victory on November 2d for Bob Michel. We have a mission to renew all the dreams and the hopes that our nation was placed on this good Earth to provide.

I met someone else before I came out here tonight—a young lady, sixth grade of Sterling School, who has won a statewide essay contest. And she won it with a letter that she wrote to our country. And I was pleased to meet her. Maybe you've all seen

the letter, but let me just remind you, if you haven't, that first sentence. She wrote, as I say, it as a letter.

"Dear America, I just thought I would write you a letter to let you know how great I think you are." And at the close of her letter, she said, "It really doesn't matter whether we're black or white, atheist or Christian. Your doors of opportunity are always open. So, knock, knock, America, here I come."

The Stacy Hodgkins and all those young people and the young people that are here tonight, they're what this election is all about—what kind of an America we're going to leave them. And I pray every day of my life that before we leave the stage, we will have made some payments—installment payments on that trillion-dollar debt and not leave all of it for them to take care of. And the best way, the most immediate way to keep our rendezvous with destiny and to achieve those dreams and those hopes that I spoke of is to reelect Bob Michel and those from other districts—send these other Representatives back, send these candidates into office, and let's us have a turn at being the majority in Washington and see what we can do for the people of this country.

Thank you all, and God bless you.

Note: The President spoke at 8:31 p.m. at the Peoria Civic Center.

Prior to his appearance at the rally, the President attended a meeting with eight Midwest Republican State chairmen at the Continental Regency Hotel. When he arrived at the civic center, he greeted five leaders of Americans for an Independent Lebanon and members of the Bradley University basketball team.

After speaking at the rally, the President attended a fundraising reception for the Phoenix Club, a local Republican organization. He then left Peoria and traveled to the Red Lion Hotel in Omaha, Nebr., where he remained overnight.

Remarks on Signing the Surplus Agricultural Commodities Disposal Act of 1982 and Announcing the European Communities Steel Export Arrangement

October 21, 1982

I am going to sign a bill here. I'm very happy to sign it, and I know that these people behind me are very happy, also, because I know that Governor Thone, when he was in Congress, worked very hard with regard to the use of grain for alcohol or fuel, as an energy source. And the three House Representatives here from Nebraska—Doug Bereuter, Hal Daub, Virginia Smith—who isn't with us this morning—but all of them were sponsors of this particular bill.

And it is a bill, now, that will enable the Department of Agriculture to take the grain that is held in storage there and convert it into agricultural byproducts and, principally, alcohol for fuel use. And one of the advantages of that is that the presence of the large stock of government-held grain has always been a factor in holding down prices. It was a threat to a legitimate pricing of grain.

So, without any further words, I'm going to go over and sign the bill. You'll note that government pens will only write one word. [*Laughter*]

[*At this point, the President signed the bill into law.*]

It is now law.

And I have another announcement, if you don't mind, that I'd like to make this morning, also, that I think is encouraging news.

And I'm pleased to announce what I think is a piece of good news for the American steel industry and the many thousands of American workers and their families who depend on the steel industry for their livelihood. And it's good news for the economy.

Commerce Secretary Baldrige and Vice

Presidents Haferkamp and Davignon of the Commission of the European Communities have successfully ended negotiations for an agreement, an arrangement that will restrain European steel exports to the United States for the next 3 years.

These revisions of the Steel Trade Agreement, concluded last August 5th, cover 90 percent of steel imports from Europe and will relieve our domestic steel industry from the unfair competition of subsidized foreign products. And that, in turn, will mean more and lasting jobs in the steel industry, which will translate into good news on the employment front. In return for the agreement on imports, the American steel industry will drop its countervailing duty and dumping suits against over 40 European companies.

Reaching this agreement was a long and arduous process, and I want to commend both Secretary Baldrige and his European counterparts for their outstanding efforts. They have resulted in a mutual understanding that is reassuring evidence that America and her allies and trading partners can work together for the amicable settlement of differences in an atmosphere of cooperation and understanding. It's also one more small but important step toward the lasting inflation-proof, job-creating economic recovery we've all been working so hard to achieve for our people.

Now, don't worry about questions. Mac Baldrige is in Washington. This has just been piped into the newsroom there and will be piped to your own newsroom here. And he will be able to handle all the details of the briefing on this, which lets me home free.

And again, my congratulations and thanks to these people here for making this possible. And that is, really, another step forward that's going to help us in the economy.

Note: The President spoke at 10:37 a.m. at the signing ceremony in the Iowa Room at the Red Lion Hotel in Omaha, Nebr.

As enacted, H.R. 6142 is Public Law 97-358, approved October 21.

Letter to the Secretary of the Treasury on the European Communities Steel Export Arrangement

October 21, 1982

Dear Mr. Secretary:

Pursuant to Arrangements between the United States and the European Coal and Steel Community (ECSC) and the European Economic Community (EEC), dated October 21, 1982, the ECSC and the EEC have agreed to establish export licenses or other export measures with respect to steel mill products specified under these Arrangements, which are exported after October 31, 1982 and before January 1, 1986, and are exported to, or destined for consumption in, the United States. Accordingly, I request under section 626 of the Tariff Act of 1930, as amended by section 153 of Public Law 97-276, that you monitor and enforce the measures taken within these Arrangements by requiring when necessary the presentation of valid export certificates or other documents issued by appropriate authorities within the European Communities or their member states as a condition for entry into the United States of steel mill products from the European Communities.

Sincerely,

RONALD REAGAN

[The Honorable Donald Regan, Secretary of the Treasury, Washington, D.C. 20220]

Nomination of Betty H. Brake To Be Deputy Director of ACTION
October 21, 1982

The President today announced his intention to nominate Betty H. Brake to be Deputy Director of the ACTION agency. She would succeed Winifred Ann Pizzano.

Since 1981 she has been Deputy Assistant Director, Older Americans Volunteer Programs, ACTION. She was cochairman and executive director of the Reagan for President Committee and the Reagan-Bush Committee, Oklahoma division, 1979–1980. She served as assistant to the executive director of the Oklahoma Political Action Committee in 1975 and in 1975–1979. She was finance director and general office manager of Concho Construction Co. in 1942–1960.

Mrs. Brake graduated from the University of Oklahoma (B.A., 1942). She has four children and resides in Arlington, Va. She was born May 14, 1920.

Nomination of William A. Nierenberg To Be a Member of the National Science Board
October 21, 1982

The President today announced his intention to nominate William A. Nierenberg to be a member of the National Science Board, National Science Foundation. He would succeed Joseph Mayo Pettit.

Dr. Nierenberg has been serving as director of Scripps Institute of Oceanography at the University of California at San Diego since 1965. He is also vice chancellor of marine science. He was an associate professor at the University of Paris in 1960–1962, and was with the University of California at Berkeley in 1950–1965. He was a member of the National Science Board in 1972–1978 and Chairman of the National Advisory Commission on Oceans and Atmosphere in 1971–1975. He served as consultant to the National Security Agency in 1958–1960.

Dr. Nierenberg graduated from City College of New York (B.S., 1939) and Columbia University (M.A., 1942; Ph. D., 1947). He is married, has two children, and resides in La Jolla, Calif. He was born February 13, 1919.

Remarks at a Nebraska Republican Party Rally in Omaha
October 21, 1982

The President. Thank you very much. I can't tell you how pleased I am to be here at this nonpartisan gathering. [*Laughter*] No, it's great to be back here and to see so many friendly faces. I feel like I'm coming home to old friends and neighbors. As a matter of fact, the Governor just informed me a little while ago that he used to listen to me when I was Dutch Reagan on WHO–Des Moines. Of course, he then added he only listened to me when the Cards were playing the Cubs, because he was a Card fan. So, he's a very happy fellow today.

But, you know, there's one big difference between Nebraska and Washington—you've got your priorities straight. Now, in Washington, too many in the Congress vote against balanced budgets so they can run up big, red-ink deficits. Here in Nebraska, a balanced budget is an article of faith between you and your leaders, and the only Big Red in your State is a football team. Back in those broadcasting days, I have described that team a number of times when I

was a sports announcer doing play-by-play football broadcasts.

But let me just say a few words about your Governor, and I'm mighty proud to stand here with him today. He doesn't just believe in your Nebraska bedrock values—values like self-reliance, love of family, patriotism, and faith in God. I've known Charlie Thone and valued his friendship for a long time. I've seen the job he's done, and no one works harder or has done more to increase Nebraska's farm and industrial exports. He doesn't play both sides of an issue; he's a man who says what he means, means what he says, and does what he promises. Charlie Thone has stood by Nebraska through sun and storm. He's earned your support. And if you give it to him—and I mean all of it—he'll stay right where he belongs, doing his great job as your Governor.

Now, we gave him a problem in Washington. I understand how your tax system is geared to the Federal income tax. And then when we changed the Federal income tax and reduced it, he was faced with having to make a rate change in order to not change your tax. But those who said that he raised your taxes in doing that are lying in their teeth. He had a hard decision to make, and he made it. And now I understand that he is faced, as we're faced in Washington, with having in these hard times to make some adjustments in State budgeting and in cutting government spending. And that's the approach that he's taking. And I'd like to know who in America—well, I do know who in America, but I don't like them—[*laughter*]—thinks that's wrong. The right way to change is to reduce government spending.

We need your excellent Representatives that he named up here—Doug Bereuter, Hal Daub, Virginia Smith—back in Washington. And wouldn't it be great if we had an outstanding Senate candidate, Jim Keck, be the outstanding Senator that I know he could be?

Let me, if I could, because there is some mystery to many people about the way things work there in Washington and what that means—as he told you, the first time we've had a Republican Senate in 26 years. As a matter of fact, all the past Republican Presidents, all the way back to the war, only for one 2-year period, has a Republican President served with a Republican legislature, a Republican Congress.

And here's what it means to have—we only have a slight majority in that Senate. But that slight majority is so important, because having that majority means our party names the committee chairmen; our party names the majority to the committees. And look at the difference in this last session that we've just been through. The balanced budget amendment, which 80 percent of the people in this country said they wanted, passed out of the Senate with a two-thirds majority. For a year, it was held in the House in committee and not allowed to come to the floor for a vote, because they control the majorities and the chairmen of the committees in that other House. Finally it came out when 218 signed a petition to bring it to the floor. And it got a majority vote, but it fell short of the two-thirds it needs. But I've got news for them: They're going to have another chance to vote on that balanced budget amendment, because we're going to keep presenting it.

Your train here today—and I might add with a very lovely cargo—represents a great success story—an industry of new growth, of jobs, and progress, carrying your people and their goods toward brighter horizons and a better life. It wasn't long ago that people were saying that rail industry couldn't make it without government subsidies. Well, we're seeing proof of how wrong they were. This industry has turned around; it's getting stronger. The payoff is more jobs and opportunities, and that's darn good news for Nebraska. And part of the reason that it can do that is because we've been lifting the stultifying hand of government regulations that's been hindering business and industry in this country for too many years.

Let me speak a moment about another turnaround, another comeback story: Our economy is turning around. Our critics are saying our economy is on its knees. Well, you know something, if the economy is back on its knees, that's quite an improvement because 2 years ago it was flat on its back.

A little less than 2 years ago when we went to Washington, all those years of government living beyond its means had come to roost with a terrible vengeance. Today's Monday morning quarterbacks have already forgotten the monster they left us: spending shooting up at an annual rate of 17 percent; double-digit inflation, 2 years in a row of that; high unemployment; a 21½-percent interest rate, the highest in more than a century; and nearly a trillion-dollar debt, which if we don't correct things soon is going to be handed as a heritage from us to these wonderful young people who are here today. And I'm determined that must not happen. And we were having the highest tax burden, peacetime tax burden, that the people of this country had ever known.

Now, I don't want it reported that I'm being partisan here, so let me quote a source from the other side—way on the other side. [*Laughter*] It happens to be the senior Democratic Senator from the State of Massachusetts. In May of 1980 Ted Kennedy warned that under his party's leadership America was sliding into the worst recession since the Great Depression. So you see, it isn't true that he and I don't agree on everything.

In 1980 government was growing like toadstools after a rainstorm, spinning out of control like a washing machine that was out of cycle. Washington and the bureaucracy were growing fatter and fatter while they were making everyone else poorer and poorer. Think about that trillion-dollar debt. This year, the Government will have to spend $110 million just to pay the interest on that debt. That is much greater than the total Federal budget was just 20 years ago. That's about $3,500 for every time your heart beats.

We wouldn't be worrying about a deficit today if big spenders hadn't wallowed in red ink for 21 of the last 22 years. And we wonder why it's so hard to bring down interest rates, make more money available to your consumers and small businessmen and family farmers. But those in the Congress who have spent your hard-earned dollars with such glee still resist the medicine of a balanced budget amendment. They claim it would be a dangerous risk. Well, there is no more dangerous risk to America or the loved ones that we'll leave behind us than deliberate, planned inflation that would destroy our country, and we're not going to permit that.

Here in America's heartland, farmers are still paying dearly for the mistakes of the past. The sky-high inflation and interest rates of the late seventies and that mistaken Soviet grain embargo led to a vicious cost-price squeeze and lost markets. Confidence in America as a reliable supplier was shattered. Those in Washington forgot what Dwight Eisenhower once warned: "Without a prosperous agriculture there can be no prosperity in America." Well, we're remembering, and with your help, we're going to put the pieces back together.

As I told the people of this country in my television address last week, I didn't go to Washington to play politics as usual, to spend other people's money, to sweep long-neglected problems under the rug. I went there to face up to those problems and, with your support and prayers from wonderful Americans like yourself, to begin to solve them.

Together we have pulled America back from the edge of disaster. We are solving those problems. No, we haven't been able, in 21 months, to clear away the wreckage that had built up for more than 20 years. Bob Dole kind of described that the other day in a speech out in Kansas another way. He kind of likened it to a stable that you couldn't unpile what—well—[*laughter*]——

Much of the legislation that we need still hasn't been enacted, but we're taking action. And of those five critical problems I mentioned—runaway spending, runaway taxing, double-digit inflation, record interest rates, and high unemployment—we've already made solid progress on four. And in anybody's league, four out of five's not bad.

First, we cut that bankrupt government spending growth by nearly two-thirds. Second, despite tremendous resistance from the big spenders, we passed the first real tax reduction for all American taxpayers in nearly 20 years. And that tax bill was not a giveaway to the rich; that was an across-the-board tax cut that benefited everyone in this country and today is benefiting those at the bottom of the scale probably even

better than it is those at higher earnings and at the upper level of the scale.

Here's what it means for your families: When next July 1st comes and the third installment of the income tax cut is put in place, it'll be a total of a 25-percent personal rate cut. Then indexing will follow in 1985, to protect you from being pushed into higher tax brackets when you get a cost-of-living pay raise. And that's what's been happening. Inflation has been one of the finest tax increases—the highest tax increases—that our government has managed for all these inflationary years.

A reduction in the marriage penalty—the unfairness of the fact that a working husband and wife were cheated in the amount that they had to pay, it being greater than if they weren't married. A reduction—or an increase in the child care credit for working mothers—does that sound like it's a benefit for the rich? New incentives for retirement savings—again, hardly something that benefits the rich. And a major benefit for family farmers and family businesses. We're raising the estate tax exemption, in installments, to $600,000. And of even greater help, there will no longer be any estate tax for a surviving spouse. It's not right for widows and children to lose a business, to have to give up a business or a farm that generations of love and toil had created, just in order to pay the Government a tax because of death in the family. And now they won't have to do that.

Third, that double-digit inflation rate hit 18 percent in January of 1980. It is now down for the first 8 months of this year to 5.1 percent and has been even lower in the most recent of those months. The experts said that it couldn't be done. They said that it was institutionalized inflation in our system; no way to get rid of it. Well, we've got news for them. We did it, and we're going to do even better. It's going to come below where it is.

And fourth, we don't have a 21½-percent prime rate anymore; we have a 12-percent prime rate, and that's not finished going down yet, and I predict it'll go down more before this year is over.

Now, that leaves unemployment, which everyone knows is far too high. But just as surely as single-digit inflation started the interest rates tumbling, getting interest rates down will drive unemployment back down to single digits, too. And then we will have delivered the knockout blow to the recession once and for all.

We are on course to recovery, but not another counterfeit recovery like all those other seven in the past that sent inflation and interest rates shooting right back through the roof. I wish you could see some of the charts that we have of what has been happening in recent years: to see this peak and then drop into recession, and then this artificial stimulant of the money supply and so forth, the quick fixes that they employed, and things would go back up, only 2 years later to go back down into a recession. But each time the recovery came we have noted that the unemployment rate stayed higher than it was before the recession, so that each time we started increasing unemployment from a higher base, and now we have the present rate of unemployment.

But we're on course to recovery, not, as I say, another counterfeit recovery. Unlike some before us, this administration is determined to get the job done and to get the job done right. You hear so much in Washington, of course, with all of this, about fairness and compassion. Well, we're providing compassion that never existed under the policies of the past. It's easy for all of us, because we're the most generous people on Earth, to feel sorry for that person who through no fault of their own must have help from the rest of us. And nothing is ever going to change that in this country. We're going to continue doing that. But under the policies of the past, in the empire building that goes on in government, there was only one way to go in enlarging those programs and enlarging the bureaucracy. They had to keep raising the levels at which people became eligible for those helpful programs until people who had no moral right to be receiving benefits from their fellow taxpayers were getting them.

But, yes, we've cut back on some programs, trying to correct that and be able to continue helping the people of real need. But what we've done without any expensive government programs is bring them help of a different kind. You know, a family

at the poverty-income level today is about $500 better off because of the drop in inflation. Their purchasing power has increased that much. The average family of four on a fixed income of about $20,000 is about $1,500 better off than if inflation and taxes had stayed at their 1980 rates. And none of these called for any bureaucracy or none of them called for any high administrative overhead on presenting some kind of a grant. We've just made their money buy more than it was buying. Inflation is the tax they were having to pay, because those at the bottom level didn't have any income upon which to pay a tax.

There's an example that has to do with the Aid for Dependent Children. During the decade of the seventies, their grants were increased by a full one-third. In that same decade, their ability to purchase declined by almost a third. So that now, even the people on those benefit grants, because of their need, are better off and have more purchasing power than they did before.

For farmers trapped in that vicious cost-price squeeze, our progress against inflation and interest rates spells R-E-L-I-E-F, if a well-known football player in a commercial will forgive me for saying that. It can make a life and death difference. The price of fuel, so important to farmers, has actually dropped in real terms. And each decline of 1 percentage point in the interest rate on the farm debt will translate into a $2 billion reduction in interest costs to farmers in America. And that's not all.

We didn't put that Soviet grain embargo on your farmers, but, as the Governor told you, we took it off. And as you heard last Friday, we want to sell the Soviets a lot more grain, a total of 23 million metric tons, and we will guarantee—give assurances of reliable delivery. And we share Governor Thone's determination to increase your exports throughout the world.

From the first moment we took office we've been working to cure our terrible economic disease and make America well again. Oh, yes, I hear those who say that we haven't done enough. And there's a double standard there. Why won't they accept responsibility for what they did during the last 25 years when they controlled both Houses of the Congress? But they insist on demanding that we take full blame for not producing a miracle in less than 25 months.

But I've listened and I've listened to their criticism, and I've waited to see if they'd propose an alternative. And they don't. All they have to offer is a blind return to big spending, big taxing, more regulations, meddling, and make-work, more government coming through the windows, under the doors, and down the chimney. And I don't think that's an alternative for the American people.

And if you don't believe that the big spenders will go back to their old ways, then you believe that J. R. Ewing[1] when he promises that he'll never be unfaithful again. [*Laughter*]

Let me ask you: Do you want to return to their policies of compassion that gave you 21½-percent interest rates?

Audience. No!

The President. Do you want to return to their policies of leadership that gave you back-to-back years of double-digit inflation?

Audience. No!

The President. Do you want to return to their policies of fairness that taxed working families into higher brackets that were once reserved for people up in the millionaire class.

Audience. No!

The President. Or is there a better way?

Audience. Yes!

The President. Do you think the program we all worked together to pass, the program that is still just a toddler, just beginning, but that has already brought down spending, brought down taxes, brought down inflation, and brought down interest rates—do you think that program deserves a little more time to clear our one remaining obstacle of high unemployment so we can put people back on the job and get America back on her feet? [*Applause*]

You all get A-plus. [*Laughter*]

Let me make one request. Go out and mobilize an army of commonsense Republicans, Democrats, and Independents all across Nebraska. Ask them to support Charlie Thone, Jim Keck, Doug Bereuter, and Hal Daub, and Virginia Smith. They are

[1] *Character on the TV program "Dallas."*

leaders determined to lighten the burden of that terrible trillion-dollar debt on Nebraska's children and grandchildren.

You know, there's a passage in the Psalms which says, "Weeping may endure for a night, but joy cometh in the morning." Well, America has endured a long, terrible night of economic hardship, but now we are seeing the first welcome bursts of sunshine, the dawning of a new day for our country. We know the momentum for recovery is building, and we know that confidence is returning and that America is on the move again.

But you know, there's something I can't understand, election year or not. With all the hopeful signs we now see—inflation and interest rates down sharply, real wages, savings, retail buying, housing starts, and investment up again—why do our critics seem so down in the mouth? Why do they seem so ready to stir up more fear and anxiety which can only hold back recovery? There is a psychological element to a recession—if people just start hunkering down and saying it's going to get worse, but if people say, "Wait a minute. You know we've done it before, we can do it again." You have to ask, do those critics in this election year, do they really want a recovery? Or would they be smiling broadly if things were getting worse, simply because it might be politically advantageous to them?

Franklin Roosevelt warned that fear can paralyze us. Let us turn away from voices of fear and doom, and move forward together to embrace recovery with confidence and courage. Those who made our country sick, however their intentions, must not keep her from getting well now. Partisan politics must not delay the healing of America. If others cannot encourage, pitch in, and help the rest of us, then let them stand aside and get out of the way. This nation wants to move forward.

I thank you for keeping up the struggle. With your faith, we can put strong wings on weary hearts. We can make America stronger, not just economically and militarily, but also morally and spiritually. We can make our beloved country the source of all the dreams and the opportunities that she was——

[*At this point, a balloon popped in the arena, sounding like a gunshot.*]

Missed me. [*Applause*]

And we can do it by, as I said, you keep Charlie Thone right here in that Governor's chair. You send Doug and Hal and Virginia and Jim back to Washington with us, and we will get these things done. We only need to believe in each other and believe in the God who so blessed this land of ours.

I thank you all very much, and God bless all of you.

Note: The President spoke at 12:20 p.m. at the Civic Auditorium Arena of the Omaha Civic Center, following remarks by James Keck, Republican candidate for the U.S. Senate from Nebraska, and Charles Thone, running for reelection as Governor.

Prior to the rally, the President attended two fundraising receptions for Governor Thone at the civic center. Following the rally, the President returned to Washington, D.C.

Proclamation 4989—Myasthenia Gravis Awareness Week, 1982
October 22, 1982

By the President of the United States of America

A Proclamation

Myasthenia gravis is a chronic neuromuscular disease marked by progressive weakness and abnormally rapid fatigue of the voluntary muscles. An estimated 100,000 Americans suffer from this cruel disease, and experts say that there may be as many as 100,000 others in whom the condition is as yet undiagnosed.

No respecter of age, racial origin, or class, myasthenia gravis strikes all elements of so-

ciety. Formerly, many people with this disease died within the first few years of the illness. Today, a number of therapeutic approaches exist that give thousands of patients marked relief and allow them time to live normal life spans.

This remarkable progress has come about largely through research sponsored by the Myasthenia Gravis Foundation, Inc. and from the persistent efforts of scientists in both private and federal research institutions.

Until the cause of myasthenia gravis is discovered and a cure for it found, however, we cannot count the battle against this crippler won. There is a continuing need to intensify research on myasthenia gravis and to focus public attention on the plight of those who suffer from this condition. The Congress, by Senate Joint Resolution 197, has designated the period October 17 through October 23, 1982, as "Myasthenia Gravis Awareness Week."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate the week beginning October 17, 1982, as "Myasthenia Gravis Awareness Week," and I call upon Government agencies and the people of the United States to observe this week with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this twenty-second day of October, in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 11:57 a.m., October 22, 1982*]

Remarks at the Conclusion of Meetings with King Hassan II of Morocco and the Arab League Delegation

October 22, 1982

The President. Our meeting today with King Hassan and the delegation is an important milestone along the road toward a common objective: a just and lasting peace in the Middle East. His Majesty King Hassan and his colleagues were forthright and helpful to us in clarifying the positions of the Arab League adopted last month in Fez, Morocco. I've clarified for His Majesty and the delegation a number of points concerning the peace initiative that I announced September 1st.

We listened to one another's views in the spirit of good will, understanding, and mutual respect. Peace in the Middle East means achieving security for all the states in that troubled region—security for the Arab States and security for Israel and a sense of identity for the Palestinian people. We must pursue these goals rigorously, thoughtfully, and in close consultation with all here.

And like our guests today, we all share the hope of peace. Our mutual goal of peace and the road to it lies through a negotiating process which I hope can be resumed in the very near future. I hope they realize—all the delegation and His Majesty—how welcome they are here in the United States and how much we appreciate their coming here.

The King. Mr. President, I and my colleagues would like to assure you, would like to express our gratitude for this wonderful reception we received today and the hospitality which we have received here today.

We also would like to thank you for the depth and the good will which we have witnessed here today as we reviewed with you the hopes of the Arabs and their objectives, which is peace with justice and dignity. I personally believe that we will find in the framework of Security Council Resolution 242 and in 338 and your program, your plan for peace, and the decisions of the Fez conference—we will find in all these, which will save us a lot of time, in order to achieve our noble aim and objective which

is peace and coexistence and construction for the welfare of the region and all mankind.

Thank you very much again, Mr. President.

Note: The President spoke at 1:45 p.m. at the Diplomatic Entrance on the South Grounds of the White House.

King Hassan II of Morocco is Chairman of the Arab League. The delegation included Foreign Ministers Sa'ud al Faysal of Saudi Arabia, Beji Caid es-Sebsi of Tunisia, 'Abd al-Halim Khaddam of Syria, Ahmed Taleb Ibrahimi of Algeria, and Marwan al-Kasim of Jordan, and Shazli Klibi, Secretary General of the Arab League.

Earlier in the day, the President and the King held a meeting in the Cabinet Room with members of the delegation and U.S. officials. The President and Mrs. Reagan then met separately with King Hassan and his children. The private visit was followed by a working luncheon in the Residence with the American and Arab League delegations.

Remarks on Signing a Bill Providing for the Immigration of Certain Amerasian Children

October 22, 1982

This is a happy occasion, I think, for all of us here. Today I'm signing into law legislation that comes to grips with a problem that I think should touch every American's heart.

During the last three decades, when tens of thousands of our airmen, soldiers, marines, and sailors went to Southeast Asia and Korea to prevent aggression and protect the vital interests of our country, a number of Amerasian children were born. When the fathers returned to the United States, far too often innocent children were left without parent or without a country. Through no fault of their own, these children have frequently lived in the most wretched of circumstances and often have been ostracized in the lands of their birth.

Today it gives me great pleasure to sign Senate bill 1698, a major step toward facing up to the moral responsibility that we can't ignore. This good and humane law—and it is that—recognizes the rightful claim of Amerasian children to American citizenship and permits their entry into our country after arrangements have been made for their care with the families or with private organizations.

The sponsors of the legislation, Senator Jeremiah Denton and Congressman Stewart McKinney, deserve a special word of thanks for their efforts to reunite these children with those who will love and care for them. And also my thanks to Father Alfred Kean, who worked so hard for this bill. And really he brought it to the Government's attention. Now, he isn't here, but his sister Judy is here, and with her, Julie and Scott Tripp, the adopted children of her sister. And we also have Eddie Choi and Jini Choi, who are students at Gonzaga University in Spokane. I'll bet they found out already that that's where Bing Crosby went to school. [*Laughter*]

Americans have always opened their hearts to those coming from distant lands to make a new life here, to live in freedom, and to improve their lot. In this case I think we should go a step further. Instead of saying welcome to these children, we should say welcome home.

And now I'm going to sign this bill and make it official.

[*At this point, the President began signing the bill.*]

And I do so again with those pens that only write one word—make sure that it's the only place. There it is. It's all legal.

Note: The President spoke at 2:34 p.m. at the signing ceremony in the Roosevelt Room at the White House.

As enacted, S. 1698 is Public Law 97-359, approved October 22.

Remarks on Receiving an Interagency Agreement on the Small Business Revitalization Program

October 22, 1982

Mr. Sanders.[1] Mr. President, I'd like to present you with this copy of the interagency agreement that has been made between our agency, the Small Business Administration, Steve's[2] agency over here, the Housing and Urban Development Agency, which recognizes your new federalism program and involving the Federal, State, and local funds, along with the private sector, in producing new jobs, new opportunities over the next 4 years.

The President. Well, I thank you very much. This is good news. I'm delighted that HUD and the Small Business Administration have formed this exciting project with 21 of our Governors, one of whom is here, Governor Kit Bond of Missouri.

I understand that this program can create thousands and thousands of jobs and leverage billions of dollars, several billions of dollars of investment capital into small business, where most of the new jobs that we need will be created in this country.

Bill Verity, the Chairman of the Task Force on the Private Sector Initiative, has been looking into the area of how the Federal Government can work in connection with the private sector, and I know that he supports this effort a hundred percent. In fact, Jay Moorhead, who runs the White House Office on the Private Sector Initiative, and Bill Verity are going to report soon to the Cabinet on how the Federal departments and the agencies can become more creative in leveraging public sector funds to the private sector.

I also hope that the initiatives will stimulate States and local governments to find new and innovative ways to finance the new businesses—and business itself—without looking to the Federal Government—those existing businesses.

And now I have another pearl, real pearl of good news for all of you on the country's economic recovery. Lower interest rates are the key to recovery, key to jobs, and the hope of all across America, and the Chemical Bank today has lowered the prime rate to 11½ percent, the lowest level in 25 months.

Just before our administration took over, the prime rate, as you know, reached 21½, and if you don't know that, you haven't been listening to me. That's the highest peak in more than a century. We've knocked down the punishing interest rates by nearly 50 percent.

For every family, whether their livelihood is in a farm or in homebuilding, auto, steel, or retails, this is the kind of news that brings health, security, and opportunity. When the prime rate comes down, lower mortgage rates and loan rates for consumers are sure to follow.

So, I thank you all for this. I think it's a fine step in the idea of federalism.

Mr. Sanders. Mr. President, thank you.

Governor Bond. Mr. President, thank you, sir, on behalf of the National Governors' Association committee on community and economic development, which had asked your administration to proceed with a small business economic revitalization program, we appreciate very much the next step in new federalism.

I can say that in our State of Missouri, as one of the States that will be participating in this pilot project with the National Development Council, we believe that we can use the resources that this will make available to help us in implementing new financing programs to provide jobs. And that, of

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[1] *James C. Sanders, Administrator of the Small Business Administration.*

[2] *Stephen J. Bollinger, Assistant Secretary of Housing and Urban Development for Community Planning and Development.*

course, is our great need right now.

The falling interest rate is probably the best news that we can have for jobs, but to know that we can work with Housing and Urban Development on their UDAG and their community development block grant programs, and SBA on the 503 programs, means that we can coordinate the resources available from the private sector, through State agencies, and available Federal programs to get the most bang for our buck and provide the most jobs.

So, we look forward to making it work in Missouri. I assure you we'll do our best, and I know the other 20 States participating will make their best efforts to create the jobs that this program promises.

Note: The President spoke at 3:20 p.m. at the ceremony in the Oval Office at the White House.

Proclamation 4990—Head Start Awareness Month
October 22, 1982

By the President of the United States of America

A Proclamation

Since its establishment in 1965, the National Head Start Program has helped over eight million low-income pre-school children and their families. In so doing, it has earned recognition and support for its success in early childhood education and development.

Equally important, the health and nutrition aspects of the program have improved the prevention, detection, and treatment of children's medical, dental, and nutritional problems, thereby removing barriers to growth and learning.

Perhaps the most significant factor in the success of Head Start has been the involvement of parents, volunteers, and the community. Their commitment and the services provided by dedicated Head Start staff have been instrumental in creating a quality program that truly provides young children with a "head start" in life.

For these reasons, the Congress, by House Joint Resolution 588, has authorized and requested the President to proclaim the month of October 1982 as Head Start Awareness Month.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate the month of October as Head Start Awareness Month. I call on Head Start centers and other educational and community groups to call attention to Head Start activities with appropriate ceremonies and celebrations.

In Witness Whereof, I have hereunto set my hand this 22nd day of October, in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 10:38 a.m., October 25, 1982*]

Message to the Senate Returning Without Approval an Environmental Research, Development, and Demonstration Bill
October 22, 1982

To the Senate of the United States:

I am returning without my signature S. 2577, the "Environmental Research, Development and Demonstration Act of 1983."

It should be understood that my disapproval of this legislation will in no way interfere with the conduct of any of the re-

search programs of the Environmental Protection Agency. Pursuant to the Department of Housing and Urban Development—Independent Agencies Appropriations Act of 1983, which I signed into law on September 30, 1982, EPA will spend $220.8 million on its research activities in fiscal year 1983. The appropriations authorized for research in 1983 are 10 percent higher than in 1982, reflecting this Administration's commitment to putting environmental regulation on the soundest possible scientific footing.

While S. 2577 is unacceptable as a whole, I want to commend Congressman Cooper Evans of Iowa for contributing to this bill an amendment to authorize the Senior Environmental Assistance Program. Congressman Evans' amendment provides the authority for EPA to continue promoting meaningful employment opportunities for older Americans in Federal, State, and local agencies, as they accomplish important short-term environmental protection projects. The amendment is based on a highly successful demonstration project carried out by EPA in conjunction with the Administration on Aging and the Department of Labor. I believe the amendent would further this Administration's goals of providing productive, meaningful employment to older workers, and providing the benefits of a cleaner, safer environment to future generations.

Nevertheless, enactment of S. 2577 would represent a major step backward in achieving the goal of assuring that our vitally important environmental research programs reflect the best judgment of the scientific community, unhampered by partisan or interest group politics.

S. 2577 would mandate that the EPA Science Advisory Board membership include representatives from "States, industry, labor, academia, consumers, and the general public." This requirement runs counter to the basic premise of modern scientific thought as an objective undertaking in which the views of special interests have no role. The purpose of the Science Advisory Board is to apply the universally accepted principles of scientific peer review to the research conclusions that will form the basis for EPA regulations, a function that must remain above interest group politics.

In addition, under the statutes governing actual promulgation of EPA rules, the Administrator is obligated to seek public comment from any and all interested parties and to weigh such comment in shaping final rules. That is the stage of the rulemaking process at which involvement of special interest viewpoints is appropriate, not the earlier stage of developing a sound scientific understanding of the research findings that may be relevant to a particular rulemaking or class of rules.

Environmental regulation involves scientific, political, social, and economic judgments. The laws mandating protection of our air, water, and land against harmful pollution reflect this necessity to balance a wide range of factors. But for the entire regulatory process to function effectively, it must have as its starting point an objectively developed review of the state of scientific knowledge. The Science Advisory Board is vital to the preparation of this objective scientific review; to require that the Board become a political entity, with representatives from various special interests, would completely undermine the use of scientific knowledge in EPA rulemaking.

The maintenance of a free, essentially self-governing scientific research community is one of the great strengths of our Nation. To undermine this tradition by requiring that the scientists appointed to the EPA Science Advisory Board wear the label of "industry" or "labor" or "consumer" is a modern-day version of Lysenkoism to which I must strongly object.

In addition to imposing these new requirements on the procedures for selecting the EPA Science Advisory Board, S. 2577 contains a number of other objectionable features. It authorizes spending that is $46.4 million above the previously enacted appropriation bill; it mandates an increase in the proportion of funds devoted to basic research from 15 percent to 20 percent, which will take funds away from high-priority research needed for the support of regulatory proceedings; it mandates a duplicative and wasteful effort to create another

national environmental monitoring network; and it mandates a number of research activities that are inconsistent with the previously enacted appropriation.

For these reasons, I am returning S. 2577 without my signature.

RONALD REAGAN

The White House,
October 22, 1982.

Radio Address to the Nation on Economic and Budget Issues
October 23, 1982

My fellow Americans:

Over the years, we Americans have faced many hard choices, and politics being politics, there have been a few who have tried to obscure the issues and exploit them for political gain. But time after time, the common sense of the American voter has outsmarted those who would mislead us. Abraham Lincoln had a simple motto: "Trust the people." I don't think anyone since has improved on that advice. Given the facts, the American people can be counted on to make the right decision.

So today, in the midst of this noisy election year, let's clear the air for a moment and talk facts, not opinions. Specifically, let us expose six big myths that are being spread by people who ought to know better.

Myth number one—and I'm sure you've heard this one again and again—is that increases in defense spending in recent years are one of the main causes of projected Federal deficits. The fact is that the defense share of the Federal budget and the gross national product has been shrinking sharply over the last 20 years. It was 9 percent of the gross national product in 1960. This year, it's only 6 percent.

It's nondefense spending that's been growing. During the last 22 years, while defense spending was shrinking as a part of the gross national product, nondefense spending nearly doubled—from 9 percent of the gross national product to nearly 18 percent. If it weren't for the drastic growth in nondefense spending, we'd actually have a big budget surplus today.

Myth number two is a whopper you've been hearing a lot from the people who'd like to take back your tax cuts. They claim that the other cause of big Federal deficits is the well-deserved tax relief we won for you over the objections of the big spenders in the Congress. That just isn't true.

The reality is that the effect of the tax cuts enacted in 1981 was mainly to hold tax rates even, to keep the hard-pressed American taxpayer from being bled even drier through further hikes and the bracket creep caused by inflation. Between 1980 and '85, taxes, as a share of the gross national product, will drop by less than 1 percentage point. The real culprits for those whopping deficits are the same congressional big spenders who voted down the balanced budget amendment.

Myth number three—and I'm sure you've heard this one, too—is the charge that this administration has slashed Federal social spending and caused a lot of human hardship. Well, that sounds bad. But is it true? The answer is no.

This administration is spending approximately three times as much on nondefense spending as the Kennedy administration spent in 1963, and that's even after you adjust the figures for inflation. Yes, we're doing everything we can to cut waste and root out cheaters. But the budget for the Department of Health and Human Services is greater than at any time in America's history. It amounts to 36.2 percent of the budget. It was only 33.8 percent of the 1980 budget. There are only two budgets in the world larger than our '83 Health and Human Service budget of $274.2 billion—the total budget for the United States and the Soviet Union.

It's easy to see how the myths persist. Not too long ago, a family of six in a Northeastern State was portrayed on television as

destitute. That family was eligible for programs totaling $1,159 per month, tax free.

Myth number four is an especially cynical one because it tries to exploit the real suffering many people are feeling and feeds on the kind of fear and despair that I spoke of last week and which can slow the recovery we all want. It claims that the 11 million people who are currently unemployed won't find jobs until after the recession is completely over and we're back to full recovery.

In effect, this myth cruelly condemns millions of our friends, neighbors, and family to a future without hope. The reality is a lot better. Bad as current unemployment is, in most individual cases it's a temporary problem. For example, of all the workers who became unemployed last July, one-third were no longer unemployed within 30 days, and two-thirds were off the unemployment list within 60 days. Now, true, some of those people had withdrawn from the job market. But the majority of them had found new jobs and were helping achieve the economic recovery we're all working so hard for.

Myth number five would have you believe that America's best days are behind us, that we're falling behind our foreign competitors in our standard of living. Well, what's the fact behind the myth? The good old U.S.A. is still the most productive of the world's major industrial countries. In 1980, the last year with reliable information, real per capita income in the United States was 14 percent better than Germany, 20 percent better than France, and a whopping 35 percent ahead of Japan. In the last 2 years, with those countries suffering from the same worldwide recession we're experiencing, the United States is still number one.

And finally, there's the biggest and cruelest myth of all—the doom-peddling argument that there is no end in sight for this bitter recession. The reality behind the myth: We aren't out of the woods yet, but we're getting there. Inflation and interest rates are down. Yesterday a leading bank lowered its prime rate to 11½ percent, and others will follow. Real wages and retail sales are moving up. Housing starts and car sales, so vital to recovery, are both heading up again. And the strong surge of investor confidence we've witnessed in recent weeks means new growth for our economy and more jobs for our people.

It's been a long, hard fight, going on for much more than the last 2 years, and it isn't over yet. But thanks to your patient courage and your ability to see the truth behind the political fairytales, America is on the road to lasting recovery.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, Md. The address was broadcast live on nationwide radio and television.

Nomination of Lev E. Dobriansky To Be United States Ambassador to the Bahamas

October 25, 1982

The President today announced his intention to nominate Lev E. Dobriansky, of Virginia, as Ambassador to the Commonwealth of the Bahamas. He would succeed William B. Schwartz.

In 1942–1948 Mr. Dobriansky was an instructor in economics at New York University. Since 1948 he has been with Georgetown University as assistant professor of economics (1948–1952), associate professor of economics (1952–1960), and professor of economics (1960–present). He has also been director of the Institute on Comparative Economic and Political Systems since 1970. He was a faculty member at the National War College in 1957–1958. He has served as a consultant with the Department of State, the International Communication Agency, and the United States House of Representatives. In 1974–1975, he was a

member of the National Commission for the Observance of World Population Year.

Mr. Dobriansky graduated from New York University (B.S., 1941; M.A., 1943; Ph. D., 1951). He is the author of numerous books and articles. His foreign languages are French, Ukrainian, Russian, and German. He was born November 9, 1918, in New York City.

Statement on Signing a Bill Concerning the Establishment of Alcohol Traffic Safety Programs

October 25, 1982

I have signed into law today H.R. 6170, a bill that establishes a new incentive grant program to encourage States to establish programs to reduce or eliminate drunk driving. Accidents caused by drunk drivers are a serious problem that cost this country vast amounts of money each year, cause thousands of deaths or injuries, and cause untold grief to these victims and their families.

While I have decided to sign H.R. 6170 into law, I must express my strong opposition to one provision of the bill. Section 102 would authorize one House of Congress to veto regulations promulgated by the Secretary of Transportation to govern supplemental grants for alcohol traffic safety programs. The Attorney General has advised that, because such congressional action has the force and effect of law, the Constitution requires that action to be taken by legislation be presented to the President for approval or veto before it can become effective. Section 102, however, omits the President from this process of lawmaking. Moreover, Section 102 unconstitutionally involves the Congress in the executive functions of promulgating regulations under authority previously conferred, in violation of the principle of separation of powers. This act will be administered consistently with these constitutional principles.

Note: As enacted, H.R. 6170 is Public Law 97-364, approved October 25.

Executive Order 12389—Amending the Generalized System of Preferences

October 25, 1982

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, including Title V of the Trade Act of 1974 (19 U.S.C. 2461 *et seq.*), as amended, section 604 of the Trade Act of 1974 (19 U.S.C. 2483), and section 503(a)(2)(A) of the Trade Agreements Act of 1979 (93 Stat. 251), and as President of the United States of America, in order to modify, as provided by sections 504 (a) and (c) of the Trade Act of 1974 (19 U.S.C. 2464 (a) and (c)), the limitations on preferential treatment for eligible articles from countries designated as beneficiary developing countries, and to adjust the original designation of eligible articles after taking into account information and advice received in fulfillment of section 503(a) of the Trade Act of 1974 (19 U.S.C. 2463(a)), it is hereby ordered as follows:

Section 1. In order to subdivide and amend the nomenclature of existing items for purposes of the Generalized System of Preferences (GSP), the Tariff Schedules of the United States (TSUS) (19 U.S.C. 1202) are modified as provided in Annex I to this Order, attached hereto and made a part hereof.

Sec. 2. Annex II of Executive Order No. 11888 of November 24, 1975, as amended, listing articles that are eligible for benefits of the GSP when imported from any designated beneficiary developing country, is amended by inserting in numerical sequence TSUS item 690.15.

Sec. 3. Annex III of Executive Order No. 11888, as amended, listing articles that are eligible for benefits of the GSP when imported from all designated beneficiary developing countries except those specified in General Headnote 3(c)(iii) of the TSUS, is amended as follows:

(a) by deleting TSUS item 386.09 and inserting in numerical sequence TSUS item 386.13; and

(b) by deleting TSUS item 690.15.

Sec. 4. General headnote 3(c)(iii) of the TSUS, listing articles that are eligible for benefits of the GSP except when imported from the beneficiary developing countries listed opposite those articles, is modified as follows:

(a) by deleting the TSUS item number and country "386.09 . . . Taiwan" and inserting in lieu thereof "386.13 . . . Taiwan"; and

(b) by deleting "690.15 . . . Romania".

Sec. 5. In order to provide staged reductions in the rates of duty for the new TSUS items created by Annex I to this order, Annex III to Proclamation 4707 of December 11, 1979, is amended by Annex II to this Order, attached hereto and made a part hereof.

Sec. 6. Whenever the column 1 rate of duty in the TSUS for any item specified in Annex I to this Order is reduced to the same level as, or to a lower level than, the corresponding rate of duty inserted in the column entitled "LDDC" by Annex I to this Order, the rate of duty in the column entitled "LDDC" for such item shall be deleted from the TSUS.

Sec. 7. Executive Order No. 12371 of July 12, 1982, modified the TSUS for purposes of the GSP by creating new items providing for solid-state electronic watches, clocks, and modules, and by renumbering certain items. As a result of that renumbering a conforming change must be made to headnote 1 of subpart C, part 4 of schedule 6 and headnote 2(ii) of part 7 of schedule 8 of the TSUS. Accordingly, such headnotes are modified by deleting "item 688.45" and by inserting in lieu thereof "item 688.43".

Sec. 8. In order to make retroactive certain changes in regard to wrapper tobacco made by Annexes I and II of Executive Order No. 12354 of March 30, 1982, creating TSUS items 170.10 and 170.15, modifying headnote 2 of part 13, schedule 1 of the TSUS, and listing such articles as eligible for benefits of the GSP when imported from any designated beneficiary developing country, such changes are hereby made effective with respect to articles both: (1) imported on and after January 1, 1976, and (2) entered, or withdrawn from warehouse for consumption, on and after July 4, 1981.

Sec. 9. (a) The amendments and modifications made by Sections 2, 3(b), and 4(b) of this Order are effective with respect to articles both: (1) imported on and after January 1, 1976, and (2) entered, or withdrawn from warehouse for consumption, on and after March 31, 1982.

(b) The amendments and modifications made by Sections 1, 3(a), 4(a), 5, 6, and 7 of this Order shall be effective with respect to articles both: (1) imported on and after January 1, 1976, and (2) entered, or withdrawn from warehouse for consumption, on and after the third day following publication of this Order in the *Federal Register.*

RONALD REAGAN

The White House,
October 25, 1982.

[*Filed with the Office of the Federal Register, 4:39 p.m., October 25, 1982*]

Note: The annexes to the Executive order are printed in the Federal Register *of October 27, 1982.*

Message to the Congress Transmitting Annual Reports on Highway, Traffic, and Motor Vehicle Safety Programs

October 25, 1982

To the Congress of the United States:

The Highway Safety Act and the National Traffic and Motor Vehicle Safety Act, both enacted in 1966, initiated a national effort to reduce traffic deaths and injuries and require annual reports on the administration of the Acts. This is the 14th year that these reports have been prepared for your review.

The report on motor vehicle safety includes the annual reporting requirement in Title I of the Motor Vehicle Information and Cost Savings Act of 1972 (bumper standards). An annual report also is required by the Energy Policy and Conservation Act of 1975 which amended the Motor Vehicle Information and Cost Savings Act and directed the Secretary of Transportation to set, adjust and enforce motor vehicle fuel economy standards. Similar reporting requirements are contained in the Department of Energy Act of 1978 with respect to the use of advanced technology by the automobile industry. These requirements have been met in the Fifth Annual Fuel Economy Report, the highlights of which are summarized in the motor vehicle safety report.

In the Highway Safety Acts of 1973, 1976 and 1978, the Congress expressed its special interest in certain aspects of traffic safety which are addressed in the volume on highway safety.

Despite large increases in drivers, vehicles and traffic, there has been a significant reduction in the fatality rate per 100 million miles of travel. The rate has decreased by 38 percent, from 5.5 in the mid-60's to the present level of 3.4. This means that motorists can drive more miles today with less risk. Had the rate remained at the 1966 level, nearly 280,000 more people would have been killed since then.

Although we can be proud of this accomplishment, the actual number of fatalities each year remains unnecessarily high. In 1980, 51,077 people met violent deaths in traffic accidents—an average of 140 lives lost every day. Compounding the tragedy is the fact that most of the victims were young people, killed at a time when they had the most to contribute to society and the most to gain from life.

Given the magnitude of the problem, protecting motorists and pedestrians from the kinds of dangers they face as a result of motor vehicle travel continues to be an important national priority.

The overall regulatory framework established since 1966 has contributed to motor vehicle safety in this country. Federal motor vehicle safety standards have encouraged the introduction of safety improvements. In the future, new regulations will be issued when there is no practical alternative and when we are certain that they will result in a clear and beneficial payoff. We are convinced that these reforms can be accomplished without jeopardizing the safety and consumer goals and policies that you have established.

In the highway safety area, we will continue to work closely with the States on priorities such as alcohol safety, motorcycle safety, police traffic enforcement, traffic records and emergency medical services. Highway safety grant programs will be simplified and Federal aid directed only to activities that achieve verifiable results in terms of reduced deaths and injuries, and to ones that are truly national in scope.

Reducing the annual traffic death toll will not be easy. Motorists today are better informed and are driving in safer vehicles and on safer roads. But they are still victims of habit and of human nature. They choose not to wear a safety belt because they do not expect to be in an accident. They drink and drive because alcohol is part of our social mores. And they sometimes speed and take unnecessary chances because being in a hurry is an unfortunate fact of modern life. Changing these driving behaviors is the traditional and most challenging obstacle to improving traffic safety.

The answer lies in widespread public education efforts and a national traffic

safety commitment that involves government, industry and the public. We are convinced that significant progress can be made and that American motorists and pedestrians will ultimately enjoy a greater level of personal safety as a result.

RONALD REAGAN

The White House,
October 25, 1982.

Message to the Congress Transmitting the Annual Report of the Railroad Retirement Board
October 25, 1982

To the Congress of the United States:

I hereby submit to the Congress the Annual Report of the Railroad Retirement Board for fiscal year 1981, pursuant to provisions of Section 7(b)6 of the Railroad Retirement Act, enacted October 16, 1974, and Section 12(l) of the Railroad Unemployment Insurance Act, enacted June 25, 1938.

The Chairman of the Railroad Retirement Board informs me that despite changes in railroad retirement negotiated by rail labor and management and enacted in the Omnibus Budget Reconciliation Act of 1981, the railroad retirement system faces severe financial difficulty. With the railroad industry's strong tradition of collective bargaining, it is my belief that the parties should be free to negotiate and implement changes in the railroad retirement system as part of their normal collective bargaining. Restoring the rail industry's pension to the private sector as proposed would free rail labor and management from inappropriate Federal intrusion in their affairs. The rights and benefits of active and retired rail workers would be unaffected by this reorganization, with the Federal government continuing to provide social security to retired rail workers, their families and dependents.

RONALD REAGAN

The White House,
October 25, 1982.

Message to the Congress Transmitting Reports Concerning Civilian and Military Pay Increases
October 25, 1982

To the Congress of the United States:

In accordance with the provisions of section 5305 of Title 5 of the United States Code, I hereby report on the pay adjustments I ordered for the Federal statutory pay systems in October 1982.

The Secretary of Labor, the Director of the Office of Management and Budget, and the Director of the Office of Personnel Management, who serve jointly as my Pay Agent, found that an overall increase of about 18.47 percent in General Schedule rates of pay would be required to achieve comparability with private sector pay as that concept is defined in the Federal Pay Comparability Act of 1970. The Advisory Committee on Federal Pay agreed with that finding.

The Comparability Act gives me authority to propose an alternative adjustment in lieu of comparability, if such action is appropriate because of economic conditions. The Budget Resolution adopted by the Congress last June, which I supported, anticipated an increase of 4 percent this October in support of our economic recovery program. Accordingly, on August 26, 1982 I sent to the Congress an alternative plan

which called for an increase of 4 percent at each grade. Neither House of Congress disapproved this alternative plan, so on October 8, 1982 I signed Executive Order No. 12387 implementing it.

Under that Executive Order:

—The scheduled rates of pay under the statutory pay systems (the General Schedule, the Foreign Service Schedule, and the schedules for the Department of Medicine and Surgery of the Veterans Administration) were increased by 4 percent in accordance with the alternative plan.

—The scheduled rates of pay for the Vice President and the Executive Schedule and Congressional and Judicial salaries were increased, under the provisions of Public Law 94–82, by the overall 4 percent in rates of pay under the General Schedule.

—The scheduled rates of pay for the Senior Executive Service were increased under the provisions of section 5382 of Title 5 of the United States Code based on the new rate of pay for GS–16, step 1, of the General Schedule and the new rate of pay for level IV of the Executive Schedule.

—The scheduled rates of pay and allowances for members of the Uniformed Services were increased, in accordance with the provisions of section 1009 of Title 37 of the United States Code, by the overall 4 percent in rates of pay under the General Schedule.

The Order also reflects the effects of section 140 of Public Law 97–92 (the continuing resolution approved December 15, 1981) and section 101(e) of Public Law 97–276 (the continuing resolution approved October 2, 1982), which contain limitations on payable salaries for certain top level Government positions.

I am transmitting herewith copies of the reports of my Pay Agent and the Advisory Committee on Federal Pay, my alternative plan, and the Executive Order I promulgated to put these pay adjustments into effect.

RONALD REAGAN

The White House,
October 25, 1982.

Statement on Signing the White House Conference on Productivity Act

October 25, 1982

Today I am signing H.R. 7292, a bill which would establish a White House Conference on Productivity. Approval of this legislation reflects my continuing concern for improving productivity in the United States—a concern that lies at the heart of our economic recovery program, which focuses on reduced growth in Federal spending, incentive-based tax reductions, regulatory relief, and steady, moderate growth in the money supply. All these measures contribute significantly to the growth of productivity.

Greater productivity growth is necessary for achieving full employment, price stability, and sustained economic growth. It is vital to regaining our competitive position in world markets and creating job opportunities for an expanding American labor force. Productivity is essential to raising incomes and maintaining stable prices. It also contributes to real economic growth and rising standards of living.

Our concern for and awareness of the productivity problems confronting the Nation led to the establishment last November of the National Productivity Advisory Committee to advise the President and the Cabinet on specific actions the Federal Government can take to improve productivity in the United States. The Committee is comprised of 34 distinguished leaders from business, labor, government, and academia, representing a broad cross section of economic and business experience. The Advisory Committee, which has met several times during the year, has already developed a number of recommendations for

specific actions that will further promote productivity growth.

While I am concerned about the need for yet another Conference, I believe that under the auspices of the National Productivity Advisory Committee, a White House Conference on Productivity can make a significant contribution to the ongoing efforts in this area.

William Simon, who chairs the Advisory Committee, has agreed to undertake this added responsibility, and he will work with me, the Secretaries of Commerce and Treasury, and my other advisers to select a Conference Director.

Note: As enacted, H.R. 7292 is Public Law 97-367, approved October 25.

Executive Order 12390—Delegation to the Secretary of State
October 25, 1982

By the authority vested in me as President of the United States of America by Section 301 of Title 3 of the United States Code, in order to assign certain functions to the Secretary of State, it is hereby ordered as follows:

Section 1. The functions vested in the President by Section 306 of the Supplemental Appropriations Act of 1982 (Public Law 97-257) are delegated to the Secretary of State.

Sec. 2. Before making the determination and providing the written reports referred to in that Section 306, the Secretary of State shall confer with the Secretary of the Treasury and, as appropriate, with the Secretary of Agriculture and the heads of other interested Executive agencies.

Sec. 3. Similar functions vested in the President by Section 205 of Public Law 97-216 were delegated to the Secretary of State. The performance by the Secretary of State of those functions is confirmed and ratified.

RONALD REAGAN

The White House,
October 25, 1982.

[*Filed with the Office of the Federal Register, 2:28 p.m., October 26, 1982*]

Question-and-Answer Session With Reporters on the Economy
October 26, 1982

Q. No questions. [*Laughter*]

The President. I only came over because the grass is wet.

Q. I understand you want to tell us something about the CPI [Consumer Price Index]?

The President. Yes. I know that you've heard the news already, that the rate of increase in inflation for September is in, and I no longer can say that inflation for 1982 so far is 5.1 [percent]. It is only 4.8. And by curious coincidence, 4.8—the last time we had that inflation rate was the last time that there was a Republican administration here. It was 4.8 when President Ford left office, and we're back to that inflation rate. As I say, the rate of increase in the last couple of months even would suggest that it's going to be a lower rate as the year progresses.

Q. You're taking credit for it?

The President. What?

Q. You're taking credit for it?

The President. Well, I feel this: that since all of you seem to feel that I'm to blame for unemployment, then somebody must be responsible for the inflation drop.

Q. What about the plunge on Wall Street,

Mr. President? What about the plunge on Wall Street yesterday?

The President. Well, on Sunday, one of your networks, at least, had two of the most eminent economists from Wall Street on the air. Both of them said unequivocally this was a bull market, the beginning of a bull market, which, as you know, means increase. They even suggested that they could foresee the Dow Jones getting to 1,200. But they said they were predicting that within the next couple of weeks there would be a leveling and some drops and some ups and downs, because that was always typical of the beginning of a bull market. And, actually, the percentages bear this out, because in the last 10 weeks the market has gone up 260 points, and in the last 2 days the drop has only been the fraction under 42 points. So, it is still an up market with this drop.

Q. You're not worried, then?

The President. What?

Q. You're not worried at all?

The President. Well, no. I believe that we are going to see this period of ups and downs, as has been predicted. But I believe that the rate of increase—it's gone up over 33 percent, and it's only dropped 4 of those percentage points, so it's still up 29 percent.

Q. Before he takes you off,[1] what about [Donald] Hodel? Is he going to be the Energy Secretary?

The President. No decisions have yet been made on that. We'll announce them when we're ready to announce.

Q. The announcement on the most-favored-nation trading status, will you announce that before the day is over?

The President. I don't think we have—I don't think that that's in any of our plans for today.

Deputy Press Secretary Speakes. It comes to you in the next couple of days.

The President. It's going to come to me in the next couple of days.

Q. What do you think of the Catholic bishops' letter on the nuclear freeze?

The President. Well, I understand that that was a leak from some staff members there of only a first draft and that it is not a final letter signed off by the bishops.

Mr. Speakes. Thank you.

The President. That's it?

Q. We have many more questions. [*Laughter*]

Q. How are you going to do next Tuesday?

The President. [*Laughing*] And I've got a lot more answers.

Q. I gather this gives you the leading edge, at least the CPI figures. I gather you feel that the CPI figures that came out today give you the leading edge over the Democrats now.

The President. I thought we'd had a leading edge ever since we brought interest rates down and inflation down and all those other things.

Q. Thank you.

Note: The exchange began at 10:48 a.m. on the South Lawn of the White House as the President was waiting to board Marine One for his trip to Andrews Air Force Base, Md., en route to Raleigh, N.C.

Remarks at a North Carolina Republican Party Rally in Raleigh
October 26, 1982

Your Senators, your Representatives, the officials of our party, our national chairman, the candidates who are up here, you ladies and gentlemen:

Nothing could be finer than to be in Carolina. Your beautiful State is rich in tradition and strong in character, dreams, drive, courage, refusing to quit—they've made the difference in North Carolina before, and they make the difference now. If you want the proof, watch the Wolfpack and the Tar Heels.

You know, you taught me a thing or two about that winning spirit. I haven't forgot-

[1] *The reporter was referring to the fact that Marine One was ready to depart from the South Lawn.*

ten a great turning point in my life, our great primary victory here that got everything rolling in 1976. And I haven't forgotten an even bigger victory in 1980, when we were together again. Now, of course, I should be saying a thank you, but really I'm back to ask a favor. Please, go out there and work for your great candidates so this year we can make it three for three.

You have great candidates. First is Congressman Bill Hendon from your 11th District. He's been a real star in his freshman class—and I'm a member of that class, too. Bill is locked in a tough race, and it would be a tragedy if we didn't have him back in January. With your support, he'll be back.

And then there's Congressman Gene Johnston, another great Congressman from the Sixth District. I've been very grateful to have his support, and we can't afford to lose him. Nor can we afford to lose your two fine, experienced Representatives from the 9th and 10th Districts, Congressmen Jim Martin and Jim Broyhill.

Let me just say a few words about these tigers you have for challengers. Bill Cobey from the Fourth District, he's bright, and I understand he's done some mighty good recruiting for one of your great universities. I think that anyone who can produce that many champions is a champion himself and deserves to be elected.

Then there's Anne Bagnal from the Fifth District. She was part of our ticket in 1980 and just barely fell short. And if you can convince responsible Democrats and Independents to get behind her this year, she's going to make it, and we need her.

There's someone else coming on real strong in the Eighth District. He's put together a great campaign, and today, Harris Blake is in a position to win.

And how about that articulate challenger running in the Second District? With your help, Jack Marin will score big on November 2d, just like he scored all those baskets for the Duke Blue Devils.

Now, on election day let's also remember Jim McIntyre and Ed Johnson, two dedicated, principled conservatives, running hard in the First and Seventh Districts. And I want to mention one other candidate. He was commanding officer of the aircraft carrier the U.S.S. *Lexington*. A POW in North Vietnam, he was condemned to a living hell of torture for a period of a long 6 years. The Communists hadn't reckoned on this man's courage. They didn't realize you can't destroy the spirit of a true American hero. You can't trample on his faith; you can't kill his feelings of hope and love when he's tasted the truth of a better life.

In his book, "Scars and Stripes," Red McDaniel wrote that the greatest moment of his life was seeing his wife Dorothy waiting with open arms, a reunion he dreamed about every night for those 6 years. And when he threw his arms around his family, he said it was worth it all for this moment. I think it's time to give him another fine moment, being elected your Congressman from North Carolina's Third District.

Well, like Red McDaniel, I, too, have a special moment I've dreamed about, and I think that many of you've shared this one. It'll be that day when we can tell our children and our grandchildren that we have begun to pay off this nation's national trillion-dollar debt, and some of the burden will be spared that coming generation.

Now, the problems we face today don't require the same sacrifices that heroes like Red were called upon to make. But they do require courage—courage to look to the future rather than cling to the past; courage to say, "I will carry on," rather than, "I give up;" and courage to believe in our hopes rather than to be ruled by our fears. Only by believing in each other, by living up to the values we share, by trusting in the God who has blessed our land, can we Americans solve the problems that have hit our nation.

Well, I have some good news for you. Just as you were told a few moments ago, we are changing the direction of America. We're putting her back on the course of hope that was charted by our Founding Fathers. We've begun to handcuff the big spenders, to get the Federal Government off your backs, promote economic recovery, and put you, the people, back in charge of your country again. With your support and

with the help of your fine Representatives and your two great Senators, Jesse Helms and John East, we're clearing away the economic wreckage that was dumped in our laps.

Now, of course you'd never believe that if you listened to the drumbeat of doom and gloom from our critics. They say our economy is on its knees. Well, do you know something: If our economy is on its knees, that's a big improvement, because 2 years ago it was flat on its back.

Today's Monday morning quarterbacks have already forgotten the monster that they left us: spending shooting up at an annual rate of 17 percent; double-digit inflation; high unemployment; a 21½-percent prime interest rate, the highest in more than a hundred years; nearly a trillion dollars in debt; and the highest peacetime tax burden this country had ever known.

But those in Congress who spent your hard-earned dollars with such glee still resist the medicine of a balanced budget amendment. They claim it'd be a dangerous risk. Well, let me make one thing plain: There is no more dangerous risk to America or to the loved ones we leave behind than deliberate, planned inflation such as they gave us, and which could destroy our country. Only we're not going to let it.

Let me assure you, there are two other struggles we'll never give up on: protection of innocent human life of an unborn child and the right of your children to begin their school days the same way the Members of the United States Congress begin theirs—with prayer.

Together, we've pulled America back from the edge of disaster. Of those five critical problems that I mentioned that we inherited—runaway spending, runaway taxing, double-digit inflation, record interest rates, and high unemployment—we have already made solid progress on four. And that's a pretty good beginning—four out of five.

First, we cut that bankrupt government spending growth by nearly two-thirds. Second, we passed the first real tax cut for all American taxpayers in nearly 20 years. And, by the way, I've been biting my tongue about something that needs to be said. The people who constantly beat their breasts about fairness are the same ones who raised taxes during the seventies in the biggest single tax increase our nation has ever had—raised it to the unbearable levels on hard-working American families. And then, when we arrived in 1981, they tried to stop us from giving you any kind of a tax cut.

And now they say they aim to repeal the third installment, that third year of your tax cut that's due next July 1st, and indexing—which will follow that—which is to stop you from being shoved up into higher tax brackets simply because you get a cost-of-living pay raise. Now, that would mean, if they had their way, a loss of about $2,500 over the next 5 years for the average American family. It's about time the people who blow so much smoke about compassion started showing some real compassion for the people who pay this country's bills. We will protect your tax cut.

Third, we're helping to lighten the load of your own bills by beating down that double-digit inflation and the price increases that it brings. Inflation hit 18 percent in January of 1980. We're doing a little better than that; we're doing a lot better. It's back to where it was—believe it or not—well, I just have to say that, as of yesterday, I would have still had to say that we reduced inflation from that 18 down to 5.1 percent. But this morning at 8:30 eastern time, the news came out about September. And it's kind of an interesting coincidence. The inflation rate now for this year, the 9 months of 1982, is 4.8 percent. And, by coincidence, it is exactly the same 4.8 percent that it was when Jerry Ford left office—the last Republican President—because that's what it was then.

You know, it's hard to mince words, because in these difficult first 21 months we've managed to undo much of the damage of those irresponsible big tax and big spending policies that those who came after President Ford insisted were good for America.

You know, as a matter of fact, someone asked me this morning before I got on the plane up there about the situation, and I just happened to think that they're blaming us, you know, consistently for the high un-

employment, which is a great tragedy—and they're blaming us for that. And if we're to blame for that, how come they say that we're not responsible also for all these reductions that I've just told you about?

That progress against inflation has reduced that prime interest rate from 21½ percent by nearly 50 percent. It's down to between 11½ and 12. And whether your livelihood is farming or homebuilding or steel or automobiles, retailing or other, this great progress means more hope, more jobs, confidence, and security for America—and that's mighty good news.

Certainly, as I indicated, as we meet today, unemployment remains far too high. But just as surely as single-digit inflation started interest rates coming down, getting those interest rates down so that people can buy automobiles and take mortgages out on homes and so forth, that will dramatically drive unemployment back down to single digits, too. And then we will have delivered a knockout blow to recession once and for all. So, unlike some before us, we intend to get the job done and get it done right this time so that it'll stay.

And I hear those who say we haven't done enough. I think there's a double standard there. They won't accept responsibility for what they did in 25 years that they controlled both Houses of the Congress, but they want us to take the full blame for not producing a miracle in less than 25 months.

But the real truth is, our critics are playing with the people's fears, trying to scare them into believing that things will get worse so their own political fortunes will get better. The picture of fear and despair that they paint on the network evening blues—[*laughter*]—that's a picture of America where she was, not where she's going. We didn't create the grain embargo, and we didn't create double-digit inflation or 21½-percent interest rates that caused so much misery. We ended them.

America has a future of courage and hope—hope that grows brighter as more people respond to the drop in inflation, tax rates, and interest rates. Not every statistic is strong yet, but look at the trend. Real wages, adjusted for inflation—real wages are up. Retail sales are up; housing starts and permits are up; the value of the dollar is up; productivity is up; research and development spending is up; venture capital in small business near a record. And, while you're hearing all the story about bankruptcies in these times of stress, business new starts—the starting up of new businesses is near a record high.

Personal savings is at a 6-year high, and new IRA accounts are pumping $30 to 35 billion into savings and investment that can then be used to provide jobs. Can there be any doubt that what all this means—that slowly, surely, confidence is being restored, and America will lead the world out of this worldwide recession that we're all in?

This great country of ours is ready to move again. It's time that others stopped trying to scare the people and subvert recovery. If they can't encourage, if they won't work with the rest of us, then let them get out of the way.

We all could recite the criticisms. We've all heard all the things that they've said that we're supposedly doing wrong. But has anyone heard them suggest an actual alternative? All they can talk about or think about—they don't dare mention it in this election year—is they'll go right back, if given the chance, to more big spending, big taxing, more regulations, more meddling and make-work, more big government coming through the windows, under the door, and down the chimney.

One week from today you and millions of Americans will have a private moment in a voting booth, the place where you have as much influence and power as any other American in this country. When all of you prepare for that moment, I urge you to consider some very important questions. Ask yourselves: Will we create more jobs by returning to the old policies that sent those interest rates skyrocketing? Will we create more jobs by returning to old policies that gave us back-to-back years of double-digit inflation? Will we create more jobs by going back to the old policies that taxed working families as if they were millionaires? Or is there a better way? Do you think that the program that all of us worked so hard to pass, a program that is still so young, but that has already brought down the spending growth, the tax rates, the inflation, the in-

terest rates—do you think that program deserves just a little more time to fix the one remaining problem—unemployment—so we can put people back on the job and get this country back on its feet? [*Applause*] Then I urge you, when you're in that voting booth next Tuesday, vote for your hopes, not your fears.

There's a passage in the Psalms which says: "Weeping may endure for a night, but joy cometh in the morning." America has endured a long, terrible night of economic hardship, but now we're seeing the first welcome burst of sunshine, the dawn of a new day for our country. America is entering a new season of hope, a genuine hope which springs from the vitality of the American spirit. We will put strong wings on weary hearts.

On the day that I took the oath of office, I referred to the words of one of the greatest among our Founding Fathers, Dr. Joseph Warren. Dr. Warren was the president of the Massachusetts Congress. I wonder what he'd have to say about Massachusetts today. [*Laughter*] But Dr. Warren said to his fellow Americans on the eve of our struggle for independence, "Our country is in danger but not to be despaired of. On you depend the fortunes of America. You are to decide the important question on which rests the happiness and liberty of millions yet unborn. Act worthy of yourselves."

Well, those words, "Act worthy of yourselves," echo in my ears. Over these last 21 months, I've been sustained and inspired by the strength of each one of you. Your spirit and the warmth of your good wishes have made me more determined than ever to fulfill the enormous trust that is placed in this office. You know, you don't—maybe not everyone has realized it when they've held the job—you don't really become President. You are given temporary custody of this great institution which was created by our Founding Fathers.

Through this long night of economic hardship, you the people, the heroes of America, American democracy, have measured up to Dr. Warren's admonition. With your continued help, through the magnificent reach of your determination, by the mighty force of your personal prayers, I know that this great, new season of hope will bring that day of renewal and national regeneration and will bring a better world for our children.

I know every time in one of these rallies when I see the young people that are present here, I am so delighted, because our generation has to realize that's what this election is all about, this country we're going to leave them.

I thank you for your courage. I thank you for being worthy of yourselves. I thank you for being Americans. Send these people to Washington. We need them there, and we'll do the job together. God bless you all.

Note: The President spoke at 12:33 p.m. in the Raleigh Civic Center arena.

Following his appearance at the rally, the President attended a meeting with 11 southern Republican State chairmen at the civic center.

Remarks on Presenting the Presidential Medal of Freedom to Kate Smith in Raleigh, North Carolina

October 26, 1982

The President. Well, I'm delighted to visit North Carolina to pay tribute to one of the Tar Heel State's most distinguished residents—a lady who is very dear to Americans everywhere.

Kate Smith is one of America's great singers of this or any other century. Her splendid voice alone has earned her a place in the history books. But it's also won her a place in our hearts because of the extra something that reaches out to the spirit as well as to the ear of the listener.

Kate always sang from her heart. And so, we always listened with our hearts. It's

been truly said that one of the most inspiring things that our GI's in World War II in Europe and the Pacific, and later in Korea and Vietnam, ever heard was the voice of Kate Smith. The same is true for all of us.

But I think the citation for Kate's Medal of Freedom—the highest civilian honor that our nation can bestow—says it all.

[*At this point, the President read the citation, the text of which follows:*]

The voice of Kate Smith is known and loved by millions of Americans, young and old. In war and peace, it has been an inspiration. Those simple but deeply moving words, "God bless America," have taken on added meaning for all of us because of the way Kate Smith sang them. Thanks to her they have become a cherished part of all our lives, an undying reminder of the beauty, the courage and the heart of this great land of ours. In giving us a magnificent, selfless talent like Kate Smith, God has truly blessed America.

So, Kate, on behalf of a grateful nation, it's my privilege to present to you the Presidential Medal of Freedom, an honor that you have earned many times over through your singing, charitable work, love of country, and by being an inspiration to all of us.

Helena M. Steene. Mr. President, as Miss Smith's sister, may I speak for her?

The President. Yes.

Mrs. Steene. [*Inaudible*]—in saying, thank you very much. This is my sister. This is also one of the greatest ladies I have ever known. She has always—[*inaudible*]—for her country. Thank you.

Note: The President spoke at 1:33 p.m. in Room B at the Raleigh Civic Center.

Following the presentation ceremony, the President attended a fundraising reception for North Carolina Republican candidates in the civic center. He then returned to Washington, D.C.

Remarks on Greeting Winners of the New York Marathon
October 27, 1982

The President. Well, we have some very distinguished and honored guests here today, and their families are also with us. We welcome Alberto Salazar, Grete Waitz, Linda Down to the White House and congratulate them all on their New York Marathon performances.

I am told that some of our White House staff were also in the meet, but only one of them has checked in as yet. [*Laughter*] So, I don't know how that's come out.

You all know, of course, that Alberto's winning time for the 26 miles was 2 hours and 9 minutes. This is his third consecutive year in winning the New York Marathon, and he also has won the Boston Marathon. Grete won the women's division, the fourth win for her in 5 years—time of 2 hours and 27 minutes. She won with style and grace, and that's kind of incomprehensible to me. I do 5 minutes a day on a treadmill and then walk away from it very slowly. [*Laughter*]

Linda Down did not match Alberto's and Grete's time, but I'm sure that both Alberto and Grete would be the first to say that no one in that marathon showed more heart and more courage. Linda, the victim of cerebral palsy, is more familiar with the word "victory" than "victim." She did the 26 miles of the marathon in 11 hours—the first person ever to attempt to do that with the aid of crutches. And, Linda, if all of those people out there wouldn't say I was being political, I'd say you truly "stayed the course."

Ms. Down. Thank you very much.

The President. It's an honor to receive them here at the White House. I'm pleased to have them here with us and to have this opportunity to congratulate them for all that they have done.

That concludes our photo session. I'm sure you have all the photos you want, and we shall go back inside now.

Reporter. Mr. President, David Broder says that a number of Republican Senators are in trouble. Do you agree?

The President. What have they done? [*Laughter*]

Q. He says there's danger of losing the election.

The President. Well, I don't feel that way, Sam [Sam Donaldson, ABC News], but that's another subject. This is the subject for this morning.

Q. Well, Mr. President, do you think the Republicans will be winners next week?

The President. I'm not going to take any more questions here, because we're here to honor these young people.

Mr. Salazar. I'd like to present this model of Nike-Mariah shoes. They're the same brand which I wore in winning the New York Marathon. I'd like to present these to President Reagan, and I hope that these will help him in his race for reelection. And I'm sure that he will be reelected President.

The President. Alberto, thank you very much. I promise not to use them in a marathon. Thank you very much.

Q. Does he know something we don't know, Mr. President?

The President. What?

Q. Does he know something we don't know?

The President. Let's not embarrass him.

Mr. Salazar. I'm not embarrassed. I'm no economic expert, but I say, "Stay the course."

The President. Thank you very much.

Ms. Waitz. I want to say thank you, Mr. President, and as a representative from a small country I feel very honored to be here today. And I hope that my presence here can be an inspiration for female athletes all over the world. Thank you.

Ms. Down. Hi. I just want to say thank you for inviting me here. And even though I was the tortoise in the race, I think I felt very blessed to have had the chance to do it, and I felt honored to be an American and a woman. Thank you.

Note: The President spoke at 11:40 a.m. in the Rose Garden at the White House.

Nomination of William McBride Love To Be United States Representative on the South Pacific Commission

October 27, 1982

The President today announced his intention to nominate William McBride Love to be the Representative of the United States of America on the South Pacific Commission for a term of 2 years. He would succeed William Bodde, Jr.

Mr. Love is with a family oil and investment business as officer and director/stockholder. He is also director of Brentwood Bank in Brentwood, Mo.; Brooks Exploration, Inc., in Denver, Colo.; and the National Investors Corp. in New York, N.Y. He was chairman of the State of Missouri Transportation Commission in 1975–1980.

Mr. Love served in the United States Navy in 1941–1946. He graduated from Princeton University (A.B., 1938). He is married, has three children, and resides in St. Louis, Mo. He was born August 11, 1915.

Statement on Interest Rates for United States Series EE Savings Bonds

October 27, 1982

I have today announced that beginning November 1, a new market-based interest rate formula will be effective for Series EE U.S. Savings Bonds.

All Series EE bonds purchased on and after November 1, 1982, and held at least 5 years, will earn at least 85 percent of the average yield during the holding period on outstanding Treasury marketable securities with approximately 5 years remaining to maturity. New bonds held less than 5 years will continue to earn interest on a fixed, graduated scale.

This major change in the way Savings Bonds interest is computed will help return bonds to the forefront of savings instruments. Savings Bonds will now be able to keep pace with other investments, and their owners are guaranteed a competitive return regardless of market conditions. This is another important step in our effort to encourage added savings, which are a key to our country's economic growth.

Note: In an Oval Office ceremony on October 27, the President met with Angela Buchanan, Treasurer of the United States, James Robinson, 1983 Chairman of the U.S. Industrial Payroll Savings Committee, and members of the Committee. At the meeting, the President purchased the first bond sold under the new program.

Proclamation 4991—Suspension of the Application of Column 1 Rates of Duty of the Tariff Schedules of the United States to the Products of Poland

October 27, 1982

By the President of the United States of America

A Proclamation

Whereas, (1) The Government of the Polish People's Republic has undertaken certain import commitments under its Protocol of Accession to the General Agreement on Tariffs and Trade (19 UST 4331);

Whereas, (2) Pursuant to the authority vested in him by the Constitution and the statutes including, but not limited to, the Trade Expansion Act of 1962 (hereinafter referred to as "the TEA") and the Trade Act of 1974, as amended (hereinafter referred to as "the Trade Act"), the President entered into, and proclaimed tariff rates under, trade agreements with the Polish People's Republic;

Whereas, (3) I have determined that since 1978, the Government of the Polish People's Republic has failed to meet its import commitments;

Whereas, (4) The President may, pursuant to his rights under a trade agreement, take action to suspend obligations of the United States under such agreement and to increase duties, or other restrictions, as are appropriate in the exercise of such rights;

Whereas, (5) The Polish martial law government has taken steps further to increase its repression of the Polish people by outlawing the independent trade union Solidarity, leaving the United States without any reason to continue withholding action on its trade complaints against Poland; and

Whereas, (6) I have determined in this case that the national interest requires expeditious action;

Now, Therefore, I, Ronald Reagan, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes of the United States including, but not limited to, the

TEA and the Trade Act do proclaim that:

(1) The obligations of the United States pursuant to the General Agreement on Tariffs and Trade to extend the rates of duty provided in column 1 of the Tariff Schedules of the United States (TSUS) to products of Poland, whether imported directly or indirectly, are suspended until this Proclamation has been modified or terminated.

(2) General Headnote 3(f) of the TSUS is modified

(i) by deleting the colon at the end of the first paragraph and inserting "or pursuant to Presidential Proclamation [4991], dated [October 27, 1982]:" in lieu thereof; and

(ii) by inserting "Polish People's Republic" in alphabetical order in the list of countries therein.

(3) This Proclamation shall take effect with respect to articles exported on and after the third day following the date of publication of this Proclamation in the *Federal Register.*

In Witness Whereof, I have hereunto set my hand this twenty-seventh day of October, in the year of our Lord nineteen hundred and eighty-two and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 4:44 p.m., October 27, 1982*]

Proclamation 4992—Theodore Roosevelt Day
October 27, 1982

By the President of the United States of America

A Proclamation

Today marks the beginning of a year-long celebration commemorating the one hundred twenty-fifth anniversary of the birth of Theodore Roosevelt, one of America's heroes and larger-than-life personalities.

Born with considerable physical handicaps, Theodore Roosevelt overcame his afflictions and drew strength from his triumph over personal adversity, a strength he would later devote to the public good. Through sheer willpower, he became a rugged outdoorsman and active conservationist, the organizer of the Rough Riders, a fearless crusader against corruption and for law and order, an explorer, a social reformer and author, our youngest President, and the first of our citizens to receive the Nobel Peace Prize. He was truly an American Renaissance man. His life was a voyage of discovery guided by deep principle and private morality.

He was also our first modern chief executive, rejecting isolationism and leading America into active participation in world decisions for which we shared responsibility. Never again would the leaders of the Old World act without regard to this new world power called the United States. He understood our people and our spirit. He identified the national character with the words, "Americanism means the virtues of courage, honor, justice, truth, sincerity, and hardihood—the virtues that made America." And I might add, the virtues that made Theodore Roosevelt.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim October 27, 1982, as a Day of National Celebration of the one hundred twenty-fifth anniversary of the birth of Theodore Roosevelt. I ask all Americans to join me in commemorating the birth of this

fearless American hero. Let us redouble our efforts to confront adversity and promote the virtues and ideals of Americanism.

In Witness Whereof, I have hereunto set my hand this twenty-seventh day of October, in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 4:45 p.m., October 27, 1982*]

Nomination of Edward M. Elmendorf To Be an Assistant Secretary of Education

October 28, 1982

The President today announced his intention to nominate Edward M. Elmendorf to be Assistant Secretary for Postsecondary Education, Department of Education. He would succeed Thomas Patrick Melady.

Since August 1981, he has been serving as Deputy Assistant Secretary, Student Financial Aid Assistance, Department of Education. He has served in various positions with Johnson State College in Johnson, Vt., since 1966. He was president in 1974–1980 and vice president for administration in 1973–1974. He served as acting president from January until June of 1974. In 1966–1972, he was dean of admissions, financial aid and housing, and assistant to the president and director of summer sessions. Mr. Elmendorf was a doctoral candidate at the University of Massachusetts in 1972–1973.

He graduated from Hartwick College (B.S., 1961), Springfield College (M.Ed., 1966), and the University of Massachusetts (Ed.D., 1975). He is married, has two children, and resides in Springfield, Va. He was born August 1, 1939.

Nomination of Victor M. F. Reyes To Be a Commissioner of the United States Parole Commission

October 28, 1982

The President today announced his intention to nominate Victor M. F. Reyes to be a Commissioner of the United States Parole Commission, Department of Justice, for a term of 6 years. He would succeed Richard T. Mulcrone.

He is currently serving as Administrative Hearing Examiner with the Parole Commission, U.S. Department of Justice. He was Parole Hearing Examiner for the U.S. Parole Commission in 1974–1979. He was coordinator of the Arizona Mutual Agreement Programming Project for the American Correctional Association in 1972–1974. He was director of the Cochise Hall Accelerated Protective Services Project at the Arizona State Industrial School in Fort Grant, Ariz., in 1970–1972. He was correctional program officer, Arizona State Department of Corrections, in 1969–1970 and adult parole officer at the Arizona Board of Pardons and Parole in 1968–1969. In 1963–1968, he served as State juvenile parole officer for Arizona State Industrial School.

He graduated from the University of Arizona (B.S., 1966; M.P.A., 1970). He served in the United States Air Force in 1951–1955. He is married, has three children, and resides in Richardson, Tex. He was born December 16, 1931.

Remarks at a Wyoming Republican Party Rally in Casper
October 28, 1982

The President. Senator Wallop, Senator Simpson, Congressman Cheney, ladies and gentlemen, our candidate for Governor, the other candidates who are here on the platform for your statewide races: It's great to be back here in Wyoming, back where your farmers and ranchers and workers and small business people dream big and toil hard to make dreams come true.

Audience member. Glad to have you, Ron!

The President. Thank you. You all live in a world that Washington will never quite understand—the real world.

I'm pleased to be here and to speak on behalf of people I very much admire. The first, of course, is the man who went to Washington as your Senator, but I can tell you he left his heart in Wyoming—Malcolm Wallop. He shares your values, and he's always on the job, using his experience to help and protect the people of this great State. As chairman of the Subcommittee on Public Lands and Reserved Water, he shepherds legislation crucial to your State.

Leadership, hard work, experience, loyalty to Wyoming—that's what Malcolm Wallop is all about. But he has something else that's mighty important—honesty and honor. Malcolm Wallop is the "real McCoy," because he sticks to his word, and he sticks by you, the people of Wyoming. And, you know, that's very important, because many of us have tended to forget that in the beginning of our country, the two Senators from each State were sent there by the State to be a body representing the States, the sovereign States, keeping alive the idea that this nation is a federation of sovereign States, not 50 administrative districts of the Federal Government. Whether it be working for prosperity and peace—the peace we all want for our children, for these young people who are here today, or protecting the pensions of senior citizens, who've already given so much, Malcolm Wallop has a solid record of keeping faith.

And, you know, having mentioned those senior citizens, I can predict that in these last few days of the campaign nationwide, our opponents are going to broadcast widely one of the most dishonest canards that has ever been fostered in a political campaign. They are going to tell you that we—and I really include myself, because I'm kind of a target of that—that we are some way out—some way we're on our way to changing or reducing or doing away with social security. And let me tell you that is what I said before—a falsehood.

I pledged during the campaign, when we were aware that social security has some fiscal problems that must be resolved to keep the program's integrity, those problems must be solved, but not at the expense of taking anything away from the people who are presently dependent on their social security checks. So, in the next few days when you hear that other side saying those things, just hold your nose and smile—[*laughter*]—because you now have the truth.

Well, with your continued support on November 2d, Malcolm Wallop will remain right where he belongs, doing a great job as your Senator.

And let me say, too, how much I value the strong, loyal support of your outstanding Congressman—Dick Cheney. Dick's leadership as chairman of the House Republican Policy Committee is remarkable for someone who was just first elected 4 years ago. We need his strong leadership back in the House in Washington.

And I know that your former statehouse speaker, Warren Morton of Casper, is a man of great experience, and he would make a fine Governor. And I'm an ex-Governor saying that. He will bring to Wyoming the same responsible principles of government that we're trying so hard to bring to Washington. So, please promise me something: Go out from here; mobilize an army of Republicans, Democrats, and Independents; and get your great statewide candidates elected next Tuesday, November 2d.

With your support, and the leadership of Malcolm Wallop, Alan Simpson, and Dick Cheney, we're changing the direction of

America; we're putting her back on the course of hope that was charted by the Founding Fathers. We've begun to handcuff the big spenders, get the Federal Government off your backs, promote economic recovery, and put you, the people, back in charge of your country again. For too long the Federal Government has been violating the Constitution in its usurpation of the rights that belong to the States, the local communities, and to the individual people in this country.

But now our critics are determined to beat the drums of doom and gloom. They say the economy is on its knees. Well, you know, if the economy is on its knees, that's quite an improvement, because 2 years ago it was flat on its back.

The truth is, thanks to your courage, your patience, and your support, we've already accomplished a minor miracle: We've pulled America back from the edge of disaster. Of the five worst economic problems that we inherited—runaway spending, runaway taxing, double-digit inflation, record interest rates, and high unemployment—we have already made solid progress on four of them, and that's not a bad beginning.

First, we cut that bankrupt government spending growth by nearly two-thirds. Second, we passed the first real tax cut for all American taxpayers in nearly 20 years.

You know, so many of those people who constantly beat their breasts about fairness are the same ones who raised taxes during the 1970's to unbearable levels on hard-working American families. In 1977, they passed the biggest single tax increase in our history, and it still has further installments of increase built into the law that will go into effect between now and 1990, the payroll tax. And then when we arrived in 1981, they tried to stop us from giving any tax cut at all.

And now that we've got some of it, they're aiming and they've made public that it is their intention to repeal that third-year tax cut, the 10-percent income tax cut that is due next July—and the indexing, which keeps you from being pushed into a higher tax bracket when you get a cost-of-living pay raise.

You know, inflation has not been an accident. It's a tax by which government, without having to bear the onus of passing a tax bill, can get more money out of your pockets through that thing called bracket creep. So, their idea of fairness means the average family of four, if they have their way, would lose more than $2,500 in tax benefits over the next 5 years.

It's about time the people who blow so much smoke about compassion start showing some real compassion for people like you who pay the country's bills. Well, I know and I cannot only speak for myself but for these gentlemen here on the platform, and that is, we're going to protect that tax cut, and you're going to continue to get the other installments that are still due.

Just consider one of the features of that tax cut which Malcolm and Alan and Dick worked so hard to get. It contains a major benefit for you: family farmers, for ranchers, for family-owned businesses. We're raising the estate tax exemption to $600,000. Of even greater help, there will no longer be any estate tax for a surviving spouse.

Now, some say when you talk about fixing the estate tax, you're talking about very rich people. No, you're not. You're talking about the corner grocer. You're talking about the farmer. You're talking about the people who, because of inflation having increased the value of the property, find that, if there is death in the family, the widow and the children who might remain no longer have that source of support because it has to be sold to pay the government's tax on death. Well, that's not going to happen anymore.

And third, we're trying to lighten the load on your family budget by beating down double-digit inflation. It hit 18 percent in January of 1980. We're doing a little better. As a matter of fact, we're doing a lot better. Inflation is all the way down to 4.8 percent in 1982. And, you know, I could have said it's *back* down to 4.8 percent, because the last time it was 4.8 percent was when the last Republican President, Jerry Ford, left office. And we're not finished yet. We're going to bring it down even lower. 1982 could go down in history as the best performance against inflation in the last 10 years.

Fourth, our dramatic progress against inflation has enabled us to knock down that 21½-percent prime interest rate that we inherited by nearly 50 percent. It's now down to between 11½ and 12. I say that because it's 11½ in some banks, 11¾ in others, and 12 in the rest. And that's going to come down more.

So, that's four out of five, and that leaves us with unemployment, which remains far too high. But just as surely as single-digit inflation started the interest rates tumbling, getting these interest rates down will drive unemployment back down to single digits, too. And then, we'll have delivered a knockout blow to the recession once and for all.

And I say "once and for all," because it won't be like those seven previous recessions that we've had since World War II, when our opponents had controlled the Congress for 26 straight years, and every time there was a recession they applied the gimmick of big government spending, bigger deficits, and the quick fix. And all it led to was a little temporary boost, and then 2 years later we were right back in another recession.

Just this week, the National Association of Realtors came to Washington to report to me a surge of homebuying in early October that was far above the average for this time of year. That surge of buying means that housing is becoming affordable for more Americans again, and this will mean more jobs. Unlike some before us, this administration intends to get the job done but to get it done right for a change.

Now, I hear those who say that we haven't done enough. But, you know, there's a kind of a little inconsistency, a double standard there. They won't accept responsibility for what they did in the 25-plus years they controlled the Congress, but they demand that we take full responsibility for not producing a miracle in less than 25 months.

Well, the truth is, our opponents sometimes sound to me, particularly in this election year, as if they don't really want a recovery. Their only concern is a political victory. Well, we didn't create the grain embargo. We didn't create double-digit inflation. We didn't create the 21½-percent interest rates which caused so much misery on Main Street and the farm; we ended them. And while not every statistic is strong yet, the trend is unmistakable. Real wages are up; real retail sales are up; housing starts and permits are up; the value of the dollar is up; productivity is up; research and development spending is up; venture capital in small business is near a record. And while there's been a lot of talk about the bankruptcies which the high interest rate has brought on—and it did—there is now a figure of business starts—new businesses coming on line, that is virtually a record in our history.

Personal savings rates are at a 6-year high. New IRA accounts are pumping 30 to 35 billion into savings and investment for more jobs, and the stock and bond market is sharply higher. Tell me: Does all of this sound like an economy that's getting weaker or getting stronger? Confidence is being restored. You and your children can look to the future with hope again. And that's good news for America, and it's the thing that our opponents are not talking about.

Don't let the doomcriers and the scaremongers frighten our citizens and subvert recovery. All they offer is a return to their failed policies of the past: more big spending, more big taxing, more regulations, more meddling, and more make-work—more big government coming through the windows, underneath the door, and down the chimney. And that's an alternative we don't need. If they can't encourage, if they can't work with the rest of us, then let them get out of the way, because we're going to do it.

Next Tuesday, you and millions of Americans will have a moment to spend in a voting booth, the place where you have as much influence and power as any other American. As all of you prepare for that moment, I urge you to consider some very important questions. Ask yourselves: Will we create more jobs by returning to the policies that sent interest rates up to 21½? Will we create more jobs by returning to the policies that gave us back-to-back double-digit inflation for 2 years? Will we create more jobs by going back to the poli-

cies that taxed working families like millionaires? Or is there a better way?

Well, the program all of us worked so hard to pass, the program that is still so young but that has already brought down the spending growth, the tax rates, the inflation, and the interest rates—does that program deserve a little more time to fix the one remaining problem, unemployment, so we can put people back on the job and get this country back on its feet again? [*Applause*]

You know, another thing you're hearing in this election year is that, well, we've had our program, gave it a try, and it didn't work. Well, my friends, yes, we've been there 21 months, but the program didn't start going into effect until 13 months ago. And there are still further installments of it to come next year, as I told you. I urge you, when you vote next Tuesday, vote for your hopes, not your fears. Vote for your children's future, not for the return of a failed past. Vote for the real hope of Wyoming: Malcolm Wallop, Dick Cheney, Warren Morton, and your statewide candidates.

There's a passage in the Psalms which says, "Weeping may endure for a night, but joy cometh in the morning." Well, America's endured a long and terrible night of economic hardship. But now we're entering a new season of hope—genuine hope which springs from the vitality of the American spirit.

Before I go, I'd like to read you just some lines from a letter I received from a Wyoming mother not too many miles from here. Her son had written an essay, "What America Means to Me." And in the essay the young man said, "I'm glad that I'm a citizen of the United States. I should help this country in any way I can. I think America is the best country in the world to live in; America has very good standards so that you and I can live in peace." Those are only a few of the lines the young man wrote. But I think we all get the general idea of his essay.

Well, with your continued help, with your determination, and with the mighty force of your prayers, I know that we can live up to those standards. And I know, too, that a great new season of hope will bring the better world that we owe to our children—children like that young lad who wrote that essay—and one day to their children.

I thank you for your support. I thank you for your courage. Thank you for being Americans. Send these people back to Washington—Malcolm Wallop, Dick Cheney. And I know that Warren Morton and these State candidates should go back to your State capital. I know, of course, that Alan Simpson is going definitely back to Washington, not being in this election. But we need them all there. We need your continued support, and then we'll do the job together, I guarantee you.

And God bless you all. Thank you.

Note: The President spoke at 11:25 a.m. in Hangar 5 at the Natrona County Airport.

Remarks at a Montana Republican Party Rally in Great Falls
October 28, 1982

Thank you very much. It's great to be back in Montana and at Charles M. Russell High School again. I have to be honest with you, though. Some of my hard-working aides recommended against leaving the Capital and coming all the way out here. So, to keep them happy, I decided, I said, "Okay, we'll flip a coin to decide whether to visit your beautiful State or stay in Washington." And you know something? I had to flip 14 times before it came out right. So, then I got them all together, and I said, "Boys, we're going where the people think big and the sky's the limit." You know what I meant; they didn't. They all headed for Tip O'Neill's office. [*Laughter*]

But it's all so wonderful again to see the incredible beauty of this State and of the wilderness, and I don't feel so bad now about where we're sending Tip and the

Democrats next Tuesday.

Besides getting to come to Montana, there are some other advantages to being President. On the way out here I told Air Force One's pilot to fly low over Mount Rushmore. I just wanted to see if they were adding any new faces. [*Laughter*]

Seriously, though, it really is refreshing to see the Rockies again. You know, we don't have anything like that in Washington. We have one mountain. The big spenders have been working on it for 40 years. It's called the national debt. [*Laughter*]

But our incredible national debt and what led to it is one major reason why I'm here today. We're approaching an election that is every bit as crucial as the election of 1980. Americans remember all too well the days of double-digit inflation, skyrocketing interest rates, the days of hostages in Iran and the national malaise, the days of leadership in Washington that blamed you, the people, for their mistakes. Now, none of us wants to return to those days. But make no mistake: The decisions made by Americans next Tuesday and throughout this decade will determine whether we stay the course and maintain our national renewal or whether we stagger off on one more economic binge—a binge that we and our children would have to pay for. And we'd pay for it with another pounding hangover.

Take that mountainous debt as an example. Today it stands at more than a trillion dollars, that the Government will spend this year just in interest payments on the debt. That's as much as it took to run the whole Federal Government only 20 years ago. But our trillion-dollar debt is only one small part of the chaos, confusion, and all-purpose mess left us by the failed policies of the past. Farmers, miners, housewives, and small businessmen are still paying dearly for these mistakes.

Remember when inflation was in double digits for 2 years in a row? Remember when interest rates hit 21½ percent? Can you remember when the growth in the gross national product had gone down for the third year in a row, and the money supply had increased by 13 percent in the last half of 1980—the highest rate in postwar history? Remember when unemployment was already a serious problem, business failures were increasing, and a recession was on its way that would hit us with hurricane force—a recession that was the legacy from all those years of boom and bust, of wild spending, erratic monetary policy, and of tax and tax, and spend and spend, and borrow and borrow?

Now, I'll admit that these statistics aren't at the fingertips of every American. But I do know that in their own quiet way, Americans fully understand the mess we inherited in 1980 and the obstacles we faced in trying to straighten it out.

And what a job we did face 21 months ago. In the last 10 years, Federal spending had tripled. In the last 5 years, Federal taxes had doubled. In 1980 alone, Federal spending had gone up 17 percent. The budget for the Department of Health and Human Services, the one that does all the charity programs and so forth, had become the third largest budget in the world, just after the national budgets of the United States—the total budget—and of the Soviet Union.

Those automatic spending programs we call "entitlements" were completely out of control. Those are the programs that the Congress doesn't have to change them every year. They're there with automatic increases built in. The food stamp program alone had grown in 15 years from $65 million to $11.3 billion—an increase of more than 16,000 percent.

Well, on Inaugural day, just minutes after I took the oath of office, I went back into the Capitol and I signed a memorandum—without even taking my coat off before I did it—that put a freeze on Federal hiring. In the next three and a—or a year and three-quarters, I should say, we cut the rate of growth in government spending by nearly two-thirds. We got individuals and businesses their first real tax cut in nearly 20 years and achieved the historic reform of tax indexing. That was stopping government from moving people into a higher percentage tax bracket just because they'd gotten a cost-of-living increase. We cut into the thicket of Federal regulations that were smothering economic growth, and we saved businesses and citizens at least $6 billion annually. Now, that's not a cut in the spend-

ing of government; that was a savings out in the private sector to the people who had to do all the paperwork connected with those regulations. And we reduced the number of man-hours of paperwork the citizens were performing by nearly 200 million man-hours.

We knew it would take time. But even though our economic recovery program has been in effect for only 13 months, the dollar is stronger than it's been in any time in 10 years. Inflation—once the number one concern of every American; double digit for 2 years—is down to 4.8 percent so far this year. And you know, it's a very interesting coincidence, because 4.8 percent was exactly what inflation was when the last Republican President, Jerry Ford, left Washington. And that 21½-percent prime interest rate is all the way down to 12 percent and even in some banks 11½ percent. We're still working to bring them down further. But let's face it, we've already come a long way from that 21½ percent that we inherited.

And you know, the source of our economic problems is even beginning to dawn on the bafflegabbers and those fancy dudes in Washington. They're finally realizing what Montanans have known for a long time: Government is too big. It spends too much of our money. You can't drink yourself sober or spend yourself rich. You can't prime the pump without pumping the prime.

But all these gains that we've made are now in jeopardy. Already the national leadership of the Democratic Party is talking about taking back your third-year tax cut scheduled to go into effect on July 1st and revoking the historic reform of tax indexing, which I mentioned. If they have their way, the average family of four would lose over $2,500 in tax relief over the next 5 years.

Now, that's why the election here in Montana is so important. We have to maintain control of the Senate. We couldn't have done what we've done if we didn't have a majority in the Senate, slim as it is. And we must have control of the key committees of the Senate which comes with having a majority. We have to put men and women in the House of Representatives who have a record of being part of the solution, not part of the problem.

Now, I ask you, is there anyone who's fought harder against big government, anyone who's fought more eloquently against higher spending and more taxes than your own candidate for the United States Senate, Larry Williams?

As head of your National Taxpayers Union, Larry has led the battle here in Montana for the tax indexing initiative and for an amendment to balance the Federal budget. Montanans aren't going to have to worry about where he's going to stand or how he's going to vote at the crucial moments in the next Congress. Now, let me tell you, he's no rubber stamp; I know that. And there are probably going to be times when Larry and I won't always agree. But I do know this: I know his personal integrity and his conscience will always be his guide. I need Larry Williams; Montana needs him; the country needs him. We need a proven fighter in the battle to get government off our backs, out of our pockets, and back to the standards of excellence once envisioned by the Founding Fathers.

And I especially want to address some remarks today to those voters in Anaconda and Butte and the other towns around this State, many of them miners and traditional Democrats. This is their chance to send a message to the national leadership of the Democratic Party. This is their chance to tell them, "Leave the tax cut alone, stop stonewalling the balanced budget amendment and the school prayer amendment, and stop bottling up those legal reforms that would crack down on professional criminals." This is your chance and their chance to tell the national leadership of the Democratic Party, "Quit bowing to the liberals in the grandstand and quit playing deep left field." This is their chance to tell them, "We've had enough of warmed-over McGovernism, we're voting Republican this year not because we've left the Democratic Party, but because under the present leadership the Democratic Party has left them."

And I say that as someone who's spent more than two-thirds of his life as a member and a worker in the Democratic Party, and I just couldn't follow the leadership any longer when it took the turning it took and the path that it has taken in these

recent years.

Now, just let me add something right now that I hope all voters from all parties in this State know: There isn't a single Congressman who's done more to help not just this district and State, but the entire country in the areas of agriculture, defense, and controlling big government—not one—more than Ron Marlenee. We need Ron back in the House. And I don't have to ask you—it's apparent that I ask you for your support—but when you go out of here, start buttonholing friends and neighbors and make sure you get their support, too.

One other prediction for you: If we can get our message out to the Independents and the Democrats in this State, another personable and strong-minded Montanan named Bob Davies is going to steamboat with Larry and Ron right into the next Congress.

Now, let me insert just one thing. It's a kind of warning. I can predict that in these last few days of the campaign, nationwide—and this touches on something that Larry spoke of up here a moment ago—I can predict that our opponents are going to broadcast widely one of the most dishonest canards that has ever been fostered in a political campaign. They're going to tell you that we—and I really include myself, because I'm kind of a target of that—that in some way, we're on our way to changing or reducing or doing away with social security. Now, that is sheer demagoguery, and it is an outright falsehood. I pledged back in 1980 during the campaign, and before that in the primary campaign, that social security—we all are aware has some fiscal problems that have come upon it that must be resolved to keep the program's integrity. But these problems must be solved and will be solved not at the expense of taking anything away from the people who are presently dependent on social security. And you know, I said once during the campaign: Anyone who will tell a lie about that is just like a fellow that says he enjoys a cold shower in the morning—they'll lie about other things. [*Laughter*]

So, here are the stakes. Do we go back to tax and tax, spend and spend? Do we go back to economic stagnation at home? Do we go back to dishonor and retreat abroad as we've known it in recent years? Or do we stay the course? Do we offer hope and incentive and opportunity? Do we keep alive the beacon of faith and freedom that is the American dream?

I know the answer we'll get from those of you out here in the wide country and under the big sky. I know that all of you believe in these things—the love of freedom, the belief in the basic values, the sense of daring that we've returned to Washington. It's in your very being. It's in the ground you walk on, the air you breathe, and the grandeur that you see every day.

Believe me, this election is important to our future. Help me, help your State, and help this country. Send Larry Williams to the Senate and Ron Marlenee and Bob Davies to Congress. And together, we can make America great again—not just for ourselves, but I'm so happy to see all these young people here, because that's what this election is all about—America great again for them.

Thank you, and God bless you. Thank you very much.

Note: The President spoke at 2:02 p.m. in the gymnasium of the Charles Russell High School, following remarks and an introduction by Larry Williams, Republican candidate for the U.S. Senate from Montana.

Following the rally, the President attended a fundraising reception for Mr. Williams at the Sheraton Great Falls Hotel. He then went to the Great Falls International Airport, where he boarded Air Force One for his trip to Las Vegas, Nev.

Nomination of Paul D. Wolfowitz To Be an Assistant Secretary of State

October 28, 1982

The President today announced his intention to nominate Paul D. Wolfowitz to be Assistant Secretary of State (East Asian and Pacific Affairs). He would succeed John H. Holdridge.

Dr. Wolfowitz has been serving as the Director of Policy Planning for the Department of State since January 1981. Prior to that he was a professor in the School of Advanced International Studies at Johns Hopkins University. He has served in government in various capacities: Deputy Assistant Secretary of Defense (Regional Planning), 1977–1980; and in several positions at the Arms Control and Disarmament Agency, 1973–1976, including Special Assistant to SALT and Deputy Assistant Director of ACDA. Prior to his government work, Dr. Wolfowitz was a professor at Yale University (1970–1973).

Dr. Wolfowitz received his Ph. D. from the University of Chicago in 1972. He is a resident of Washington, D.C., and was born on December 22, 1943.

Remarks at a Nevada Republican Party Rally in Las Vegas

October 28, 1982

The President. Wait till I go home and tell Nancy I played Las Vegas with [entertainers] Wayne Newton and Bob Goulet. I did play it once—[*laughter*]—back in a whole 'nother life.

But I'm delighted to be here, and candidate—*Senator* Hecht, if these people do what I think they're going to do, I thank you for your kind words, and I thank all of you for a great Western welcome. Governor List, Chic Hecht, Peggy Cavnar, Barbara Vucanovich—it's an honor to be here supporting your candidacies, and it's a pleasure to breathe deep and know that Washington is thousands of miles away.

I'm sorry that Senator Laxalt couldn't be with us today. The only thing I ask of Nevada is to send us another Senator just like him—Chic Hecht.

You know, some folks in the East don't really understand how ingrained the pioneer spirit is out here. Quitting wasn't something that our forefathers dwelled upon. And although the going was rough—sometimes the mountains were steeper and the deserts were hotter than expected—they weren't the kind of people to turn back. And that same spirit still thrives out here on the Nevada plains. On November 2d the people of Nevada, just like honest, hard-working people in the rest of the country, are going to give a message to the quitters and the Washington gloom-and-doomers. And that message is going to be: Stay the course.

We charted a new direction, because things were not right with our country. You know it, and I know it. And as much as some politicians want the American people to forget what it was like 2 years ago, we're not forgetting, and we won't go back.

Let me ask you: Does anyone here really want to go back to the double-digit inflation of 2 years ago?

Audience. No!

The President. Does anyone want to go back to the 21½-percent interest rate of 2 years ago?

Audience. No!

The President. And does anyone want to go back to the runaway government taxing, spending, and borrowing that brought our country to the brink of disaster?

Audience. No!

The President. Well, the Running Rebels are ready.

You know, when we got to Washington, this country was in the fast lane headed

toward economic oblivion. The folks who'd been at the wheel were more reckless than the Dukes of Hazzard[1]—[*laughter*]—they'd been spending, taxing, inflating, and borrowing as if there were no tomorrow. But there was one thing different than them and the Dukes of Hazzard: The Dukes of Hazzard are funny when they do it. And there wasn't anything funny about what was going on in Washington.

When you go into the voting booth on Tuesday, November the 2d, think about what's being offered. Runaway spending is finally under control. We cut an annual growth rate of—annual Federal spendings from 17 percent by almost two-thirds—down to 6 percent. You only have to listen to the opposition to know that no matter how they try to disguise it, what they're talking about is reopening the floodgates.

And more spending means more taxes. Taxation has been called the art of plucking the feathers without killing the bird, but before we got there the folks in Washington didn't seem to know when to stop plucking. We've put in place the first real tax cut rate—or rate tax—rate cut—it works both ways, I guess—[*laughter*]—in almost 20 years. And when you go into the voting booth, remember that those who oppose our program did everything in their power to stop us from cutting your taxes, and they still want to take those tax cuts away from you. They're aiming right now at the remaining installment—10 percent in the income tax that is due next July 1st—they want to cancel that.

And what about inflation? When we got to Washington, it was public enemy number one, running at double digits for 2 years back to back, hitting 18 percent in January of 1980. Well, for 9 months so far of 1982, it is 4.8 percent. And you know, there's an interesting coincidence about that. The last time it was 4.8 percent was when the last Republican Governor [President], Jerry Ford, was leaving Washington. They haven't gotten their hands on it yet—on the other side.

Now, let me tell you what that reduction means to you in inflation. If we'd let prices continue going up the way they were, keep the same rate that they had, an average family of four would now be paying $25 more a month for their groceries, and almost all of your everyday expenses would be substantially higher.

But what about those of you who are retired? If we had permitted inflation to continue as it was, a pensioner on a fixed income of $8,000 would now be $640 poorer in purchasing power. I don't have to tell you what that means to an older person trying to make ends meet. Because of what we've done, your pension is going farther. It buys more food and the necessities of life. Older people, as a result, are more independent.

Today, with inflation dropping and with the upward trend of the stock market, billions of dollars have been added to the value of the assets of this country's pension funds, making those pensions stronger and more secure.

So, when you go into that voting booth, remember that those who oppose our program would return to policies that produced one of the worst inflations in the Nation's history. Do you want to pay more for groceries? Do you want pension money to be worth less?

Audience. No!

The President. Make sure that your friends and your neighbors know that that's what this election is all about.

Audience member. What about jobs?

The President. What we've done is lay the foundation—we'll get to jobs—what we've done is lay the foundation for solid, inflation-proof economic progress.

Yes, unemployment remains too high. It was too high when we got here. It'll be too high as long as there is one American who wants to work and can't find a job. But it would be no favor to the unemployed to go back to the policies that knocked the wind out of our economy in the first place. We're building a lasting recovery that will mean real and lasting jobs.

There are other industrial countries that have continued down that economic path that we left 21 months ago. And today they're far worse off than us, suffering both high unemployment and high inflation with little relief in sight. By contrast, America is

[1] *Television program.*

heading into a period of growth and stability. All we need is the courage to stick with it and get the job done.

The positive direction of the financial markets underscores this, as does the drop in the interest rates. Rates that were going through the roof before we took office are now down to 12 percent. In fact, some banks are at 11½, some at 11¾. And they'll soon be breathing new life—those lower interest rates—into farming, construction, and the auto industry.

And those telling us that our program can't work—politicians who'd rather exploit our trouble than make things better—ought to realize that they're yelling down a blind alley. Their negativism is being drowned out by the ever-building buzz of economic recovery. Real wages are up. And, in addition to real wages, retail sales are up; housing starts are up; the value of the dollar is up more than it has been in the last 10 years; productivity is up; research and development spending is up; venture capital investments in small business are at a near-record high; new IRA accounts are pumping some 30 to 35 billion dollars into savings and investment for jobs.

Lasting economic progress doesn't happen overnight, and in 21 months you can't cure problems that were more than 20 years in the making. But the gloom-and-doomers should wake up. The train is pulling out of the station, and they're still complaining that the engine wouldn't start.

Those doing all the criticizing had their chance. In the 4 years before we got to Washington, they had it all. They had the whole enchilada. They controlled the Presidency, the United States Senate, the House of Representatives, all the committees of Congress, and the executive branch and hundreds of agencies and departments. They virtually had a free hand, and all they could think to do with that free hand was stick it in your pocket. [*Laughter*]

Well, they had their chance and failed. And that's why this election is so important. We're headed in the right direction, but we've got to make sure that we're not derailed before we reach our destination. And that will take all the help that we can get. We need strong voices in the House that will speak up for responsibility and common sense—voices like those of Peggy Cavnar and Barbara Vucanovich. They'll provide Nevadans with the responsible and articulate representation you deserve, and they'll give Tip O'Neill fits. [*Laughter*]

And don't you think that it's about time that you had a Senator who doesn't spend all of his time canceling out Paul Laxalt's vote? Chic Hecht will be a steady hand holding the reins, a man we can count on. Along with Peggy and Barbara, he offers Nevadans a chance to play a significant role in restoring vitality and opportunity to our country.

And remember, this is not a fight between Republicans and Democrats. It's a choice between those who are building a better tomorrow versus those who only 2 years ago, when they held the reins of government, were suggesting that we should lower our expectations. Do you remember those litanies, those songs they gave us that we'd have to learn to live with lower standards of living, that America's best days were behind us, we were entering an era of scarcity?

And while putting our economic house in order, we've also taken the first steps to give back to the States and to the people the powers that have been usurped by Washington. It's bad enough that the Federal Government owns most of the land of your State, but in recent years it's been trying to own the people also. We want to bring government back closer to the people. And if that's going to work, we need strong leadership at the State level. And that's why I'm proud that Governor Bob List is with us today—he and these other State office candidates. He's been a source of strength and encouragement in our efforts. Back when I was Governor of California, I got into a habit of relying on Governors from Nevada. We got along just fine, and I hope you'll reelect Bob, because it's a habit I don't want to break.

Here in the West people have never doubted America's potential. You know that with freedom and faith in the future we can overcome any obstacle. It's as true today as when our forefathers rolled up their sleeves and turned a desert into a thriving State and a bastion of progress. Together there's

nothing we can't accomplish. And together we can leave our children an America as strong and free and filled with opportunity as the one that was passed on to us by those Americans who came before us. I've told audiences all across this country—and I'm so happy to see so many young people and youngsters out here today, because they're what this election is all about—that's our challenge and our most sacred responsibility. And together we can do it.

Once again, I say I'm delighted to be here. And, please, send these people, part of them, back to your own State capital, and send those others—Chic Hecht and Barbara and Peggy—send them to Washington, where we need them so much. And we're going to continue on that road and make things right for America.

All right. Thank you, and God bless you. Thank you very much.

Note: The President spoke at 5:08 p.m. in the Rotunda Arena at the Las Vegas Convention Center. Following the rally, the President went to the Sands Hotel in Las Vegas, where he remained overnight.

Remarks at a Utah Republican Party Rally in Salt Lake City
October 29, 1982

The President. Well, thank you very much for, believe me, a warm Utah welcome. It's great to be in the Beehive State again. I love to be out West, and it's especially good to be able to stop the plane and recharge my batteries here in Utah, a State that's just as famous for its good, old-fashioned, clean living as its fresh, clean air.

Here you understand the importance of honest work, family life, and dedication to those traditional values that made the Utah desert bloom. And let me tell you, that same American spirit will make this great country of ours come alive again, too, and I must add, and your faith and belief in God.

As a nation, we've awakened from a long and painful nightmare. We're rebuilding America, and ours is the courage of hope charted by the Founding Fathers. We intend to handcuff big spenders, get the Federal Government off your backs, promote recovery, and put you, the people, back in charge of your country again. Now, we aren't there yet, but unlike those before us, this administration intends to get the job done and get it done right.

Now, our critics are determined to beat their drums of doom and gloom. They say our economy is on its knees. Well, you know something? If the economy is on its knees, that's quite an improvement, because 2 years ago it was flat on its back. Now, I heard it said recently by someone on the other side that the economy was in a state of boom when I took office. Well, if they mean that was the sound the economy made 2 years ago when it fell off the edge and hit bottom, okay. [*Laughter*]

But already we've made dramatic progress in four of the five worst economic problems that faced this country when we took up the challenge. We've cut the rate of growth in government spending—once raging out of control—we've cut it by almost two-thirds. When we took office, the largest tax increase in history was just beginning to take effect, and there are more installments of that tax increase yet to come between now and 1990, built into the law by those who preceded us. But our administration is a little old-fashioned. We still believe that the dollars you work so hard to earn actually belong to you, not to the Federal Government. So we took on the big spenders, ignored their screams of pain, and won the first real tax cut for every American family in nearly 20 years.

Inflation was public enemy number one in 1980. It had hit 18 percent in January of 1980. Well, we're doing a little better. We're doing a lot better. We've brought the inflation rate for 1982 all the way down to 4.8 percent. Now, that's a kind of an interesting coincidence, because the last time

that inflation was down at 4.8 percent, it was when the last Republican President, Gerald Ford, was leaving office.

Do you remember those crippling interest rates that sent businesses into bankruptcy and pushed home mortgages beyond reach? Well, we don't have a 21½-percent prime rate anymore; we have a 12-percent prime rate, and one major bank is down to 11½.

We're not out of the woods yet, but we can see daylight beyond the trees. We're determined to find jobs for our people, to balance the budget, to protect the tax cut, and to whittle away at the national debt. There's one thing our generation must do before we leave the stage and that is not turn over to these young people that are here today that trillion-dollar debt without at least making some effort to reduce it before we go.

Now, no President can do all that alone. I need all the help I can get in Washington. And that brings me to the point of this visit. I count on Utah's delegation in the Congress. I'm talking about Jake Garn, Orrin Hatch, Dan Marriott, and Jim Hansen. And without them, we couldn't have made the progress that we have. Without them, America would risk a further slide to economic ruin—the return to bigger, more intrusive government, higher, more punishing taxes, growing deficits, more spending, soaring inflation, and record interest rates. Well, we've left that litany of despair behind. Together, we've turned a corner in the history of America. We've put aside the policies of fear and despair and replaced them with a program of hope.

Each week brings fresh evidence that our program is working and momentum for recovery is building. Yesterday, we learned that productivity increased sharply in the third quarter. This morning—I don't know whether the news has reached here yet or not, but in the East it has been announced already—Americans awoke to see another patch of blue. The leading economic indicators, which measure the vital life signs of our economy to forecast its future direction, were up in September, and that's the fifth month of increase in the last 6 months. And I might add that at the same time the 1 month out of the 6 in which those indicators were down, they readjusted and corrected, because in August they had said that the economic factors were down nine-tenths of 1 percent. Well, they were only down two-tenths of 1 percent. So, the whole 6 months looks pretty good. And those are the statistics, small as they may seem, by which we indicate whether the economy is going up or going down. Pretty soon, even the diehard doom-peddlers will have to admit it: America is on her way back, and we will lead the way out of this worldwide recession.

America has a future of courage and hope—hope that grows brighter as more people respond to the drop in inflation, tax rates, and interest rates. We've begun to receive reports of a surge in homebuying during October that is way above normal for that particular period of the year. As mortgage rates decline, the average monthly payment for a new home has dropped by as much as $200. This makes housing affordable again for up to 4 million families. As homes are built, more jobs will be created, and you and I know that's mighty good for America. Not every statistic is strong yet, but the trend is unmistakable.

With all the crying today that the issues of this campaign, based on that one factor of the unemployment which is always the last to recover, what are our opponents ignoring? What are they trying to keep you from realizing? Listen to this: Real wages are up; retail sales are up; housing starts and building permits are up; the value of the dollar is up higher than it has been in 10 years; productivity is up; research and development spending are up; venture capital in small business near a record; business starts—in spite of the bankruptcies—new starts of business near a record; personal savings rate at a 6-year high; new IRA accounts pumping $30 to 35 billion into savings and investment for more jobs.

Tell me something, would you? Does all this really sound like an economy getting weaker, or might it just be that our economy is beginning to grow stronger every day?

We are doing everything we can to make a sick nation well again. But is it too much to ask those who controlled the Congress

for 26 years and who spent this country to the brink of bankruptcy that they stop trying to reap political gain by preying on the people's fears? All they offer is a return to the past—more big spending, big taxing, more regulations, meddling, and make-work, more big government coming through the windows, under the door, and down the chimney, and that's something the American people don't need. If they can't at least acknowledge the truth and at least encourage, if they can't work with the rest of us, then let them get out of the way, because we're going to keep on.

Just 2 years ago, our critics warned that double-digit inflation was here to stay. Well, we ended double-digit inflation, and we're putting the Age of Inflation behind us.

One year ago—*one year ago*—they warned that interest rates would soar back above 20 percent, breaking all the old records. Well, they were wrong again. The prime rate, as we've told you, has been cut nearly in half, and we're not finished yet. We're going to keep it heading down.

One year from now they will be warning us that the recovery cannot be sustained. But with the help of your Jake Garn, Orrin Hatch, Dan Marriott, Jim Hansen, and others like them, we can give the American people something brand new—a recovery built to last, not just another cure of a recession like the seven that we've had since World War II. We can do it if we finish the job and get Federal spending under control once and for all.

Audience member. We love you! [*Applause*]

The President. Thank you very much. [*Applause*] Thank you. Thank you very much. Believe me, I love all of you.

Your Senator and my friend, Orrin Hatch, is one of the leaders in our quest. He led the fight to pass a constitutional amendment to balance the budget this year. That proposal was one of the most important to pass the Senate in this Congress, but, as you know, a minority of big spenders in the House blocked it, thwarting the express wishes of the people of Utah and the overwhelming majority of Americans everywhere. The liberal House leadership claimed the balanced budget amendment was too much of a risk. Well, I think you and I should make something plain: There is no bigger risk to America or to the children we leave behind than deliberate, planned inflation that would destroy our country, and we will not permit it.

Key votes on issues like the balanced budget amendment show why it's so important to reelect Orrin, Jim, and Dan, and to send Howard Nielson to Washington. Utah needs them. You didn't think I was going to leave him out did you? [*Laughter*] No, you know your delegation in the Congress may be small, but they're scrappers. They remind me of something that Dwight Eisenhower once said: It's not the size of the dog in the fight that counts; it's the size of the fight in the dog.

As a people we've suffered setbacks in the past, but we've never given up when the cause was a good one for America. We aren't about to quit now. Together we can make our nation great again.

Please do me one favor. I know how you feel, but mobilize an army of Republicans, Democrats, and Independents between now and Tuesday. Tell the good people of Utah: Vote for your hopes, not your fears. Vote for your children's future. Vote for your children's future and not the return of a failed past. Vote for the real hope of Utah—Orrin Hatch and Dan Marriott and Jim Hansen and Howard Nielson.

Let me just interject something here. We've heard cries from the other side that in this time of tragic unemployment—and no one could feel worse about it than any of us and, certainly, not someone like myself and those of you who lived through the Great Depression. We know the tragedy of unemployment. But we've heard so much about, well, we should resort to more make-work programs as they have in those seven other recessions in the past—spending money for temporary jobs that don't do anything but add to the deficit and set the country back. And I think we have a better approach.

We have passed and are going to put into effect a job training program. It's going to be a little different than some in the past, because the Federal Government is going to work with local officials and community business and industry leaders all across the

country to train the people in those communities for the jobs that are open in those communities. And even in this time of great unemployment, the need for this kind of improvement in job skills and training and spreading of job skills to newer lines of activity can be indicated by the fact that, well, just a week ago Sunday, I counted the pages of help wanted ads in the Washington Post—34 full pages of employers advertising for people to work. It doesn't mean that people were shirking and not taking those jobs. It means there were people—that we lack the skill and training and enough people to fill them. On that same day in Los Angeles, across the country, it was 52 full pages in the Los Angeles Times. And this is true of metropolitan newspapers on Sundays all over the United States.

Well, previous work training programs by the Government before averaged spending about 18 cents out of each dollar for training. Our program will spend 70 cents out of each dollar for actual training.

I thank you all for the help that you've given me and our party. With leaders like yours and with the help of the people of America and the God who watches over us all, we will secure our way of life for generations to come.

Thank you, and God bless you.

Note: The President spoke at 11:47 a.m. in the arena of the Salt Palace following remarks and an introduction by Senator Orrin G. Hatch.

Appointment of Two Members of the Board of Trustees of the Woodrow Wilson International Center for Scholars, and Designation as Chairman and Vice Chairman

October 29, 1982

The President today announced his intention to appoint the following individuals to be members of the Board of Trustees of the Woodrow Wilson International Center for Scholars, Smithsonian Institution, for terms expiring October 23, 1988. These are reappointments.

William J. Baroody, Jr., will be designated Chairman. He is president of the American Enterprise Institute for Public Policy Research (AEI). He served as executive vice president of AEI in 1977–1978. In 1973–1974 Mr. Baroody was Special Assistant to the President and, later, Assistant to the President in 1974–1976. From 1969 to 1973, he served as Assistant to the Secretary of Defense. From 1961 to 1968, he was legislative assistant and press secretary to Representative Melvin Laird. Mr. Baroody was graduated from Holy Cross College (A.B., 1959). He served in the U.S. Navy in 1959–1961. He is married and has nine children. He resides in Alexandria, Va. He was born in Manchester, N.H., on November 5, 1937.

Robert Adam Mosbacher will be designated Vice Chairman. He has been an independent oil and gas producer since 1948, serving as chairman and chief executive officer of Mosbacher Production Co., of Houston, Tex. He has served as director or chairman of the following groups: the Texas Heart Institute, the Mid-Continental Oil and Gas Association, the American Petroleum Institute, the National Petroleum Council, the American Petroleum Landmen, and the All American Wildcatters Association. He served as national finance chairman of the George Bush for President Committee in 1980 and the President Ford Committee in 1976. Mr. Mosbacher graduated from Washington & Lee University (B.S., 1947). He has four children and resides in Houston, Tex. Mr. Mosbacher was born in Mount Vernon, N.Y., on March 11, 1927.

Announcement Concerning the Presidential Agricultural Task Force to Venezuela

October 29, 1982

A Presidential agricultural task force will arrive in Caracas, Venezuela, on October 30. Resulting from President Reagan's initiative at last year's summit meeting in Cancún, Mexico, the task force will study ways in which Venezuela and the United States can cooperate in agriculture and review agricultural matters of importance to the Venezuelan Government.

Earlier this year similar task forces, arranged by the U.S. Agency for International Development, went to Peru, Thailand, and Honduras. The U.S. Department of Agriculture, with AID assistance, has organized this task force for Venezuela. It will be headed by former Assistant Secretary of Agriculture Clarence D. Palmby.

Members of the task force will work with the Venezuelans to improve their marketing, storage, and distribution of food. They will also make recommendations on how to develop information systems for agricultural planning and promote greater private investment in the country's agroindustry. The task force will return to the United States on November 13, 1982.

Remarks at a New Mexico Republican Party Rally in Roswell

October 29, 1982

The President. Thank you very much. I thank you very much, and I thank the Senator for his very kind words, the Governor for his—[*laughing*]—and I may be a little previous with that, although I'm sure—for his words of greeting. And in all the things that Senator Domenici said about the State here, he kind of left out the fact that you must be kind of a crosswords, because someone just held up a sign over there, "Ex-Iowans," greeting me. When I got out of school, I became a sports announcer in Iowa, and I have just found out that over here is a lady that was in first grade in Galesburg, Illinois, when I started to school.

Well, I am happy to be here on behalf of New Mexico's Republican Party and all of its fine candidates for office. And right off, let me pay special thanks to Corky Morris and all the campaign workers who are going to bring us the Republican results that we need next Tuesday.

It feels good to be here in the land of enchantment and far away from a place of disenchantment on the banks of the Potomac. Jack, are you sure you want to go back there? [*Laughter*] Of course, having once been an astronaut, Jack Schmitt is probably the only one who feels at home there, because Washington is in orbit most of the time about one thing or another. [*Laughter*]

You know, when he was first elected to the Senate, he probably thought that, like E.T.,[1] he had landed on another planet. He was one of the few among those alien big spenders, big taxers, who was working to bring economic order to our nation. If the entire Congress had voted like Jack, we wouldn't be in a recession now. Think of it. If only half the Members of the Congress had voted with his integrity and foresight, there wouldn't be 11 million people in our country unemployed. There wouldn't have been the double-digit inflation or crippling interest rates that caused recession. And there would have been prosperity. It seems to me that a man with that kind of perceptiveness is the kind that you want in the United States Senate.

And you know, as Jack could tell us, there is something out in space that is called a black hole. And that's what this economy

[1] *A character in the movie "E.T.: The Extra Terrestrial."*

was falling into until we got a Republican Senate majority and turned things around. Now, Jack is one of the Senators who brought logic, common sense, and strong character to the task of making government work again. He has shown the grit and the honesty it takes to make the hard choices, to cast the tough votes. I came here to tell the people of New Mexico I need Jack Schmitt in the Senate. And I need Manuel Lujan, Joe Skeen, and Marjorie Bell Chambers in the House just as much.

And let me add a word about John Irick. As you know, we're working on something back there called federalism, in which we intend to restore the 10th article [amendment] of the Constitution, which means giving back to the States, to the local communities, and to the people, the powers that have been seized over the years by the Federal Government. And to do that, you need someone in charge here who knows about accepting those responsibilities. And incidentally, our plan is not one of dumping those responsibilities on the States. We intend to also provide the means to support them that have also been taken and usurped by the Federal Government. So I know that I can count on John Irick as an individual, just as the people of New Mexico can count on him.

But with Jack's, Manuel's, and Pete Domenici's and Joe's help, we've been cleaning away the economic wreckage that was dumped in our laps. Now, of course, you'd never believe that if you listened to our critics. They say this economy is on its knees. Well, if that's true, that's quite an improvement, because 2 years ago it was flat on its back.

But I realize there is still hardship among our people. And if I thought that what we were seeking to accomplish would be only temporary, I wouldn't ask for the American people's patience. But for the first time in our postwar history, we're trying to build a recovery that will last, not just a quick fix to see us through the next election. There have been seven previous recessions since World War II. All of those in the 26 years in which the Democrats controlled the Congress, both Houses—all of them have been treated with a quick fix. Yes, temporarily they seemed to bring an answer and then, a couple of years later, there was another recession.

When we took office in '81, the American economy was being cannibalized. It was being devoured by runaway Federal taxes, Federal spending, and Federal borrowing. And the result was double-digit inflation for 2 years in a row, high unemployment, a 21½-percent interest rate—the highest in more than a century—nearly a trillion-dollar debt, the largest peacetime tax burden the Americans had ever known, and government spending shooting up at an annual rate of 17 percent a year. And still the big spenders wonder why the American people want what a stubborn minority in the House of Representatives denied them—a constitutional amendment to balance the budget. Well, they're going to get another chance to vote on that, because we're just going to keep pounding on the door with it until we finally get it.

You know, from our very first day there, we've been working to undo the economic mistakes of the past. When I finished taking the oath of office on that January Inaugural day, the first thing I did was go right back into the Capitol Building—I didn't even take off my topcoat—I sat down and signed a memorandum freezing the size of the Federal Government, that it would not increase in size.

You know, at my age, I didn't go to Washington to play politics as usual. [*Laughter*] I went there to face up to our problems, and with the support and the prayers from wonderful Americans like yourselves, we are beginning to solve them.

Now, I don't pretend that in 21 months we've been able to undo the damage of more than 20 years. Twenty-one months ago, we faced five immediate problems: runaway spending, double-digit inflation, catastrophic interest rates, the highest peacetime tax burden ever, and high unemployment.

Well, we've made dramatic gains on four of those five problems. The inflation rate that reached a high of 18 percent in January of 1980 has been cut to 4.8 percent for the first 9 months of 1982. And you know, there's something interesting about that 4.8-percent figure. The last time inflation

was down to 4.8 percent was when the last Republican President was leaving office, Jerry Ford. The prime interest rate that was 21½ the month I was sworn in is now down to 12 percent, and we're not finished with it yet. We've cut the growth in Federal spending by nearly two-thirds, from 17 down to 6 percent. And we will have cut your tax rates by the first of next July by 25 percent.

Now, that leaves unemployment, which is much too high. In homes across this country, including a home at 1600 Pennsylvania Avenue, unemployment is the problem on everyone's mind. Getting Americans back to work is an urgent priority for all of us, and other than keeping the peace, I have no higher priority. And just as surely as lower inflation has started the interest rates tumbling, lower interest rates will reduce unemployment.

Unfortunately, unemployment is always just about the last to feel a recovery. It has been in all the other seven recessions. The interest rates have to come down. People have to be able to afford mortgages again and installment payments on cars and so forth. And then as that takes place, more and more people go back to work. Well, the big difference now is that we're going to do it right. We're building a lasting, inflation-proof recovery instead of a quick political fix.

And make no mistake about it, America's future is a future of hope, and it grows brighter each day as more people respond to the drop in inflation, tax rates, and interest rates. That's where the trends are pointing.

Just today in the East—I don't know whether the news has reached here yet, but it was announced this morning in the East that again the economic indicators, that indicate whether we're dipping deeper or whether we're coming up out of it, for the fifth out of 6 months was up, continuing the climb toward prosperity. And also, interesting enough, that 1 out of 6 months, which was August, when they said that the indicators were down nine-tenths of 1 percent, they corrected that this morning and said, no, they were only down two-tenths of 1 percent in August. So, it's been a pretty good show for the whole 6 months.

But look at the other indicators that the opponents of these candidates are denying or refusing to recognize. Real wages are up. Retail sales are up. Housing starts are up. The value of the dollar is up higher than it has been in the last 10 years. It's the highest priced money in the world. The stock market is up—about 220–odd points in the last 10 weeks. Research and development spending is up. Business starts are near a record. Personal savings rates are at a 6-year high. And new IRA accounts are pumping some $30 to 35 billion into savings and investments that will be able to help provide jobs. Confidence is returning to America.

This great nation of ours is on the move again. And I say to our opponents, if they aren't ready to get on aboard and help, then tell them to get out of the way. But all we can read in what they say is they want us to return to the policies of the past. Well, I don't think the American people want to return to the policies of failure.

Audience. No!

The President. The policies of the past have burned to the ground; they failed. And those who would turn America back have nothing to offer except more of the same old programs that got us into this mess. So, I say let's stay the course and finish the job.

We've worked for a better alternative, an alternative that offers hope for the future and is already making real progress. We're on a new road now, a road that's leading America to better times. And I want you to know that we intend to stick with it and turn this economy around.

In Illinois the other day, I met a young lady named Stacy Hodgkins. Now, don't jump to conclusions, Stacy is only in the sixth grade. [*Laughter*] And Stacy had just won a statewide essay contest, and she was pretty imaginative, because her essay was a letter to our country. And it started, "Dear America, I just thought I should write you a letter to let you know how great I think you are." I'm not going to read the entire essay, but she closed her letter to America saying, "It really doesn't matter whether we're black or white, atheist or Christian, your doors of opportunity are always open. So

knock, knock, America, here I come."

Well, Stacy Hodgkins and all our young people—they're what this election is all about. What kind of an America are we going to leave them? I pray that I will see the day when we will have made some payments to reduce that trillion-dollar debt that is hanging over that young generation, and that they will know that at least we tried and we didn't want to leave it all to them.

Now, when you go into that voting booth next Tuesday, vote for your children. Vote for the men and women who are looking to the future and to your children's future, not to those who look to the failed policies of the past. Jack Schmitt is a man who understands the future. He's seen it out there in space, and he's seen it in your children's faces. Jack, along with all of these fine candidates—John Irick for Governor, Manuel Lujan, Joe Skeen, Marjorie Bell Chambers, all of them in the House—all of them will bring to government the responsible principles that will serve future generations.

Together we can make our country the source of all the dreams and opportunities that we wish for our children. And it's only fair enough, because some generations that preceded ours left us a pretty good deal to take over. We can make America what she was placed on this good Earth to provide.

And I can't close here, in this place of all, without saying something else—that with all of these economic problems we face and that we're trying to solve, I was asked a question many times during the campaign of 1980—because I had said that it was going to be necessary to, once again, restore the defensive capability of this country, our security in a very dangerous world—and I would be asked the question, "Well, if it comes to a question of balancing the budget or rebuilding our defenses, which will you choose?" And every time I said, without fail, I would have to come down on the side of the defenses of this country, because that is the prime responsibility of this nation.

And you know, with all those uniform caps that I saw waved there, I want to tell you something about this all-volunteer service of ours. There were people that were pessimistic and said that it couldn't work, that we'd have to use compulsion. Well, it's working. And the morale, the quality of your men and women in uniform should make every one of you proud. And that's not because we're warlike; that's because, more than anything else, we want peace. And with them we have a far better chance of keeping the peace than when we were looking helpless and unilaterally disarmed in the eyes of the world.

I'd like to just tell you one little last thing about this. And it isn't meant to sound warlike because, as I say, I believe that it is in this way, it's this that has brought the Soviet Union into negotiations with two of our negotiating teams in Geneva, Switzerland, to try and reduce down—and hopefully to zero—the number of strategic weapons, nuclear weapons in the world. But I received a letter from our Ambassador to Luxembourg one day, and he said that he'd been up on the East German frontier and visiting the 2d Armored Cavalry Regiment. And he said a young trooper followed him over to his helicopter and asked him if he thought he could get a message to me. And the Ambassador allowed as how he could, and the young fellow said, "Will you tell him we're proud to be here, and we ain't scared o' nothin'."

So, God bless you all, thank you for being here, and thank you. Go out there and get your fellow New Mexicans to send all of these people, all of these candidates who are up here to the statewide jobs they are seeking, to the House of Representatives. And please don't send a Senator up there who would cancel out Pete Domenici's vote. You send Jack Schmitt.

Thank you.

Note: The President spoke at 2:58 p.m. at the Roswell Industrial Air Center following remarks and an introduction by Senator Harrison (Jack) Schmitt. Following the rally, the President flew to Camp David, Md., for a weekend stay.

Proclamation 4993—Termination in Part of the Proclamations Carrying Out the Agreement Between the Governments of the United States of America and Argentina Concerning Hide Exports and Other Trade Matters

October 29, 1982

By the President of the United States of America

A Proclamation

1. On August 10, 1979, the Governments of the United States of America and the Argentine Republic entered into an Agreement Concerning Hide Exports and Other Trade Matters (the Agreement) (TIAS 9976). The Agreement was implemented by Proclamation 4694 of September 29, 1979, and became effective October 1, 1979.

2. The Agreement provided in pertinent part that Argentina adopt a 20% ad valorem tax on exports of cattle hides, effective October 1, 1979, to replace its embargo on exports of such products, and then phase out the tax. The United States agreed to reduce its duty on bovine leather now provided for in item 121.61 of the Tariff Schedules of the United States (TSUS) (19 U.S.C. 1202), and to reduce its duty on corned beef provided for in item 107.48 of the TSUS.

3. Argentina has, since October 1980, failed to fully comply with the provisions of the Agreement.

4. As a result of Argentina's breach of the Agreement, I proclaimed, on October 20, 1981, by Proclamation 4876, a suspension in part of the column 1 rate of duty applicable to item 121.61 of the TSUS.

5. In July 1982, Argentina took further action inconsistent with its obligation under the Agreement. Since adequate compensation has not been received for Argentina's breach of the Agreement, I have determined that it is in the best interest of the United States to terminate the Agreement, and it has been terminated by an exchange of notes between the two parties, effective on October 30, 1982. I have further decided that the rate of duty on TSUS item 121.61 shall on that date be restored to the level at which it would have been but for the Agreement.

6. Section 125(f) of the Trade Act of 1974 (the Trade Act) (19 U.S.C. 2135(f)) requires the President to provide the opportunity for interested parties to present views at a public hearing prior to taking action pursuant to Section 125(b), (c), or (d) of the Trade Act (19 U.S.C. 2135(b), (c), or (d)). Such an opportunity was provided by holding such a hearing on October 6, 1982, at the Office of the United States Trade Representative (USTR).

Now, Therefore, I, Ronald Reagan, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes of the United States, including Sections 125 and 604 of the Trade Act (19 U.S.C. 2135 and 2483), do proclaim that:

(1) Proclamation 4694 and Proclamation 4876 are terminated, insofar as they relate to the rate of duty for TSUS item 121.61 effective October 30, 1982, and insofar as they relate to TSUS item 107.48 effective October 30, 1983.

(2) The column 1 rate of duty applicable to item 121.61 of the TSUS is modified to read "5% ad val." effective as to articles entered or withdrawn from warehouse for consumption on and after October 30, 1982. Pursuant to section 604 of the Trade Act (19 U.S.C. 2483), modifications of TSUS item numbers and article descriptions made by Proclamation 4694 will remain in effect until terminated or modified by subsequent action. Pursuant to section 125(e) of the Trade Act (19 U.S.C. 2135(e)), the current column 1 rate of duty applicable to TSUS item 107.48 will, unless some earlier action is taken with regard thereto, remain in effect until October 30, 1983, at which time it will revert to 7.5% ad valorem.

In Witness Whereof, I have hereunto set my hand this twenty-ninth day of October, in the year of our Lord nineteen hundred and eighty-two, and of the Independence of

the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 10:45 a.m., November 1, 1982*]

Note: The text of the proclamation was released by the Office of the Press Secretary on October 30.

Radio Address to the Nation on the Economic Recovery Program
October 30, 1982

My fellow Americans:

I've received a letter declaring that our economic recovery program must be changed before it causes "more economic destruction and human suffering." Well, the writer then went on with further criticisms, as well as proposals for specific actions I should take. Since he's gone public, nationally, on TV and in the press, with much of what was in his message, I am replying to his specific points with an open letter on today's broadcast.

Dear Senator:

I find it hard to understand your unquestioning belief that our economic recovery program is not only responsible for unemployment—which was already serious 2 years ago—but that it threatens "further collapse of the economy."

My feelings of sorrow for those bearing the burden of unemployment are every bit as deep as yours. But you seem to write off or ignore the fact that unemployment was high in 1979 and went higher in 1980. Indeed, in the spring of '80, 1,400,000 workers were laid off or lost their jobs in a period of only a few months. In the last half of 1980, the money supply increased at an alltime high rate of 13 percent. Interest rates went right up with it to a 100-year high of 21½ percent. And, of course, the inflation rate, the basic villain in all this, was in its second straight year of double digits—12.4 percent.

Now, we both know the high interest rates led to layoffs in the automobile industry. And as that industry slowed down, so did steel, rubber, and glass. Those same high interest rates brought down the housing industry as mortgages became too costly, leading to layoffs in lumber, appliances, furniture, and many other related industries.

Now, all of this was taking place before our administration had even taken office. During our first several months in office, the Federal Reserve was below its targeted growth rate in money supply. This had the effect of maintaining the high interest rates well into the summer of '81, when the recession worsened substantially. Our economic recovery program didn't go into effect until October of '81, and then only a part of the program. So, we've only had 13 months of the economic recovery program, and not the entire program at that. And yet, inflation has come down to 4.8 percent so far this year. Interest rates are 11½ and 12 percent, not 21½. The rate of increase in Federal spending per year has been lowered from 17 to 6 percent. And our people have had the first real tax cut since the one John F. Kennedy gave them in the early 1960's.

Is the economy continuing to decline as you said it was? Housing starts and building permits are up. There's been an above-normal increase in home sales for this time of year. Real purchasing power is up. The rate of personal savings is higher than it's been in 6 years. The stock market is some 215 points higher than it was just 10 weeks ago. Now, it's true, there have been a great many bankruptcies and business failures, but the number of new businesses starting up is near a record level.

You suggest that I urge the Chairman of the Federal Reserve to loosen the money supply so as to reduce interest rates. But interest rates have come down almost 50 percent. In 1980, when the money supply was loosened, interest rates skyrocketed.

You say put a moratorium on loans for corporate mergers, but that would be getting into credit control, which was tried and failed a few years ago.

With regard to your proposal to send our special trade representative, Bill Brock, and others to negotiate trade regulations with Japan and our European trading partners—they've been doing that and have had considerable success and intend to continue.

You urge that we embark on a giant public works program funded by government. Isn't that what we tried in all those seven other recessions since World War II? And all we got for that spending was a temporary quick fix, followed by more inflation and then another recession, usually deeper than the one before. Doing this would increase deficits and then repeat the high inflation and deep recession cycle we want to avoid. Make-work jobs would be offset by lost jobs in the private sector.

You mentioned defense spending and two particular construction projects that we could do without. Well, defense spending is providing jobs for hundreds of thousands of American workers, besides providing for our national security.

I appreciate your invitation to come to Michigan to see the unemployed firsthand. When I was in Michigan campaigning in 1980, unemployment in the city of Flint was then 20 percent, and in Detroit it was 18 percent. I saw similar tragic examples in Ohio and other industrial States.

You speak of Americans "searching in vain for jobs that do not exist." Well, certainly that's true. But there also are jobs that do exist and are unfilled because of the lack of workers with the particular training or skill called for in those jobs. Count the pages of help wanted ads in our metropolitan papers on any given Sunday. Two weeks ago, the Washington Post ran 34 such pages. On the other side of America, the Los Angeles Times on that same day carried 52 pages.

I'm sure that you'll be pleased to know we're starting a job training program in which the Federal Government will work with local officials and businesses and industrial leaders at the community level. The idea will be to train individuals for jobs now available in the communities where they live. Now, since two out of five of today's unemployed are between the ages of 16 and 24, the group with the highest unemployment rate, the program has a great potential.

I think a careful study of the success of our existing policies in laying a groundwork for economic recovery will convince you they deserve more than the 13-month trial they've been given.

End of letter.

Well, I'll be back next Saturday. Till then, God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, Md.

Remarks About the Congressional Elections
October 26, 1982

My fellow Americans:

Lately, the airwaves have been full of charges, attacks, and yes, cruel scare tactics. Some have argued that our economy is heading over a cliff. Well, they're wrong. Slowly, but surely, we're lifting our economy out of the mess created over the past several decades. We're on the road back. Others have tried to frighten the elderly about social security. Well, they're wrong, too. And they know it. As long as I'm President, we will protect the solvency of social security, and we will protect the benefits of those who depend on it.

It's time to stop playing on people's fears and to begin asking what we can do together to make things better. None of us can afford to play politics as usual. We love this land of ours, because it's a special place where people are free to work, to save, to believe, to build a better future. The cynics may call it corny, but this way of life we all

cherish is best summed up in three simple words: the American dream.

From our beginnings as a nation, that dream has been a living, breathing reality for millions. It still is. But it faces serious threats. There's no mystery about those threats. They've been gradually worsening for a long time, while politicians played the same old games.

I could reel off a lot of numbers, but I don't think I need to. I know you understand what it is we're up against and what we have to do to make our country and the American dream well again. Our way of life is based on some very fundamental values—family, faith, patriotism, hard work, and opportunity. But for too long, those values have been eroded, instead of strengthened, by government policies of spend and spend, tax and tax.

The big spenders gave us record inflation and high interest rates that left you with less and less of your earnings at the end of the week. They made it harder for your family to save for the future, to afford the home of your own, that new car, and all of the other basic products and services that keep our economy going and create jobs. They even drove prayer out of our nation's classrooms.

Well, I'm trying to change that. But to do it, I sure need your help. It takes more than 21 months to undo the damage of 20 years, but we've made a beginning. Already we're winning the war on four out of five economic problems we inherited.

We've cut the growth of government spending by nearly two-thirds. We've lowered your tax rates by 25 percent. We've cut inflation by more than half. And we've driven down those crippling high interest rates from 21½ percent to 12 percent. And here's the vital bottom line. By solving these problems, we've laid the foundation for lasting, inflation-proof recovery that will mean more jobs.

On Tuesday we face another turning point. It's not for me or anyone else to tell Americans how to vote; that's our right as individuals. But I am asking you to think carefully about what's at stake. We've begun to correct the problems and policies that did so much harm to groups like farmers, workers, housewives, and small businessmen. We're doing the job that must be done, and we're seeing unmistakable signs that our program is working—real wages, retail sales, and housing are all up. Americans have reason for hope again.

So, before you cast your vote on Tuesday, please ask yourself if you and your children will be better served by those who are quick to criticize but offer no real alternative, or by those who share our basic values and who will stick to the task before us—making government live within its means and making your future a future of opportunity and prosperity again.

Think about it, my fellow Americans. Can big spenders like the ones who got us into this tragic situation now be trusted to lead us out of it? I believe you know the answer. And I'm counting on you to cast your votes for hope, not despair; for responsible men and women who are pledged to help us, not hinder us, on the road to recovery.

Thank you, and God bless you.

Note: The President's remarks were taped at the White House on October 26. Time for broadcast of the remarks on regional television stations and the networks was purchased by the Republican National Committee. The remarks were aired on Saturday and Sunday, October 30 and 31, and Monday, November 1.

The transcript was released by the Office of the Press Secretary on October 31.

Nomination of Samuel Friedlander Hart To Be United States Ambassador to Ecuador

November 1, 1982

The President today announced his intention to nominate Samuel Friedlander Hart, of Virginia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador to Ecuador. He would succeed Raymond E. Gonzalez.

Mr. Hart served in the United States Army as a first lieutenant in 1955–1957. He entered the Foreign Service in 1958 and was political and economic officer in Montevideo in 1959–1961. In 1961–1962 he attended Indonesian language training at the Foreign Service Institute. He was economic officer in Jakarta (1962–1964) and consular and political officer in Kuala Lumpur (1964–1966). In the Department he was foreign affairs officer, then international economist in the Bureau of Economic and Business Affairs in 1966–1968. In 1968–1969 he attended Vanderbilt University. He was economic and commercial officer in San Jose (1969–1971) and counselor for economic and commercial affairs in Santiago (1971–1975). He was Deputy Director of the Office of Economic Research and Analysis in the Bureau of Intelligence and Research in the Department in 1975–1977. In 1977–1980 he was counselor for economic and commercial affairs in Tel Aviv. Since 1980 he has been Director of the Office of Andean Affairs in the Department.

Mr. Hart graduated from the University of Mississippi (B.A., 1955), the Fletcher School of Law and Diplomacy (M.A., 1958), and Vanderbilt University (M.A., 1969). His foreign language is Spanish. He was born September 13, 1933, in Canton, Miss.

Message to the Congress Reporting on Developments Concerning the Declaration of a National Emergency With Respect to Iran

November 1, 1982

To the Congress of the United States:

Pursuant to Section 204(c) of the International Emergency Economic Powers Act (IEEPA), 50 U.S.C. Section 1703(c), I hereby report to the Congress with respect to developments between my last report of May 6 and mid-October 1982, concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 of November 14, 1979.

1. The Iran-United States Claims Tribunal established at the Hague pursuant to the Claims Settlement Agreement of January 19, 1981, is now actively engaged in the process of arbitrating the several thousand claims filed before it by the January 19, 1982 deadline. Although it has only recently begun to schedule significant numbers of prehearing conferences and hearings on the merits, the Tribunal has rendered decisions on twelve claims of U.S. nationals against Iran. Eight of those decisions approved settlements reached by the parties directly concerned; two more represented adjudications in favor of the U.S. claimants. The remaining two resulted in the dismissal of claims for lack of jurisdiction. In total, the Tribunal has made awards of more than $7.6 million in favor of U.S claimants. The Department of State, with the assistance of the Departments of the Treasury and Justice and other concerned government agencies, continues to coordinate the presentation of U.S. claims against Iran as well as the U.S. response to claims brought by Iran, and also assists U.S. nationals in the presentation of their claims against Iran.

2. The Tribunal rendered its decision on the four issues concerning the $1 billion security account held by the N.V. Settlement

Bank of the Netherlands to pay Tribunal awards against Iran. As indicated in the last report, those issues, which had not been resolved in the negotiations leading to the establishment of the security account in August 1981, involved (1) the disposition of the interest accruing on the funds in the account; (2) indemnification of the Settlement Bank and its parent, the Netherlands Central Bank, against any claims relating to the management of the security account; (3) payment of the administrative fees of the Settlement Bank; and (4) payment of settlements reached directly between U.S. claimants and Iran.

The Tribunal decided the last question first, ruling on May 14 that such settlements may be paid from the security account if the Tribunal determines that it has jurisdiction over the underlying claims and accepts the terms of the settlement agreements as the basis for rendering an award on agreed terms.

The decision on the other three issues was rendered August 3, 1982. The Tribunal decided that interest earned on the security account should continue to be credited to a separate suspense account established pursuant to the interim arrangements under which the security account had been managed since it was established. The Tribunal further decided that any such interest may be used by Iran to fulfill its obligation to replenish the security account whenever the payment of awards causes the balance to fall below $500 million. The decision thus prevents the diversion of the interest to any purpose other than payment of awards in favor of U.S. claimants, without the agreement of both the United States and Iran, until all claims are decided and all awards paid.

On the questions of management fees and indemnification, the Tribunal decided that fee payments should be shared equally by the two Governments and that indemnification should be joint and several, leaving open until an actual case arises the question of how ultimate responsibility for indemnification should be allocated between the United States and Iran.

3. The January 19, 1981 agreements with Iran also provided for direct negotiations between U.S. banks and Bank Markazi Iran concerning the repayment of non-syndicated loans and disputed interest from the $1.418 billion escrow account presently held by the Bank of England. The U.S. banks and Bank Markazi Iran continue to negotiate concerning payments out of this account.

4. Since my last semiannual report submitted to the Congress in May, there have been no transfers of assets to Iran by or through the U.S. Government under the January 19, 1981, agreements with Iran. However, I attach herewith five excerpts from the *Federal Register* that deal with the Iranian Assets Control Regulations. The first, published on May 24, 1982, is a requirement that holders of tangible property in which Iran had or asserted any interest report on such property to the Office of Foreign Assets Control. The purpose was to obtain information for use in promoting the resolution of disputes with Iran, preparing submissions for the Iran-United States Claims Tribunal, and formulating policies to deal with the tangible properties. The second, published on June 8, 1982, contains additional information with respect to the tangible property reports. The third was published on June 10, 1982. It is a directive license to the New York Federal Reserve Bank to deduct two percent of award amounts it receives from the security account for payment to U.S. claimants who have received awards from the Iran-United States Claims Tribunal. That two percent is for deposit in the U.S. Treasury to reimburse the U.S. Government for costs incurred for the benefit of U.S. nationals with claims against Iran. On September 14, 1982, the Administration submitted to the Congress a bill that deals with this deduction and also gives authority to the Foreign Claims Settlement Commission of the United States to receive and determine the validity and amounts of certain claims of U.S. nationals against Iran. Also, the bill authorizes the Secretary of the Treasury to reimburse the Federal Reserve Bank of New York for expenses incurred by the Bank in the performance of fiscal agency agreements relating to the settlement or arbitration of claims pursuant to the January 1981 agreements with Iran. The fourth *Fed-*

eral Register item revoked any authorizations for the permanent disposition, by means of a final judicial judgment or order, of interests of Iran in any standby letter of credit or similar instrument. The purpose was to preserve the status quo to permit resolution of claims involving those interests through either the Claims Tribunal or negotiations with Iran. Iran has filed more than 200 such claims with the Tribunal, and U.S. nationals also have filed a large number of claims concerning the same issues or related undertakings. U.S. account parties are still able to prevent payments to Iran by obtaining preliminary injunctions or other temporary relief, short of final dispositions, or by using procedures set forth in the Iranian Assets Control Regulations. Finally, on July 22, 1982, the Office of Foreign Assets Control published a new provision of the Iranian Assets Control Regulations that sets forth a licensing procedure for the sale and disposition of tangible property that is currently blocked because of an interest of Iran in the property. The purpose is to conserve the value of the assets and to permit the satisfaction of certain claims against the property. Licenses for such sales may be issued after a case-by-case review of license applications.

5. Several financial and diplomatic aspects of the crisis with Iran have not yet been resolved and continue to present an unusual challenge to the national security and foreign policy of the United States. By separate action, I am extending the emergency with respect to Iran beyond the November 14, 1982 anniversary. I shall continue to exercise the powers at my disposal to deal with these problems and will continue to report periodically to the Congress on significant developments.

RONALD REAGAN

The White House,
November 1, 1982.

Note: The attachments transmitted with the report, and included in the White House press release, are printed in the Federal Register *(47 FR 22361, 25003, 25243, 29528, 31682).*

Proclamation 4994—National Diabetes Month, 1982
November 2, 1982

By the President of the United States of America

A Proclamation

Diabetes is a complex disorder in which the body is unable to convert sugars and starches properly into the energy necessary for daily activity. As a major public health problem, diabetes can result in certain long-term complications that may involve virtually every tissue of the body, particularly the blood vessels, nervous system, kidneys and eyes. At present, there is no cure for this chronic disorder that now affects an estimated 11 million Americans.

In recent years, research has yielded promising new information on the possible causes and improved management of diabetes and its complications. This research has provided significant advances ranging from a better understanding of factors that cause or contribute to the disease to the development of laser therapy for eyes damaged by diabetes. There still exists a great opportunity for medical science to reduce human suffering and improve the lives of diabetic patients.

In cooperation with private voluntary organizations, the Federal government is actively participating in this ongoing scientific challenge. Through the combined efforts of government, university, and private researchers, it is hoped that steady progress will continue to be made toward more effective methods of diabetic control. The goal of this work is to improve the lives of patients and reduce the impact of this disease on our nation.

Now, Therefore, I, Ronald Reagan, President of the United States of America, in

accordance with Senate Joint Resolution 257, do hereby proclaim the month of November, 1982, as National Diabetes Month, and I call upon government agencies and the people of the United States to observe this month with appropriate programs, ceremonies, and activities.

In Witness Whereof, I have hereunto set my hand this 2nd day of Nov., in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 3:58 p.m., November 2, 1982*]

Proclamation 4995—National Christmas Seal Month, 1982

November 2, 1982

By the President of the United States of America

A Proclamation

Chronic diseases of the lung afflict well over 18 million Americans, cause more than 200,000 deaths annually, and cost the Nation more than $45 billion each year in lost wages, productivity and direct costs of medical care.

Emphysema and related pulmonary diseases have been the fastest rising cause of death in the United States in the past 14 years. Over six million Americans, including two million children, suffer from asthma. It is expected that lung cancer will soon surpass breast cancer as the leading cause of cancer deaths among American women.

Leading the fight to prevent illness, disability and death from lung disease in the voluntary sector is the American Lung Association, a nonprofit health organization supported by individual contributions to Christmas Seals and other donations. Beginning in 1907, Christmas Seals were used to raise funds through private contributions to provide education to Americans with the disease.

Today, the American Lung Association works with the National Insititutes of Health to support research, training, and demonstration programs relevant to diseases of the lung. This year, the Association's Christmas Seals will be in 60 million American homes.

The Congress, by Senate Joint Resolution 262, has designated the month of November as "National Christmas Seal Month."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate the month of November, 1982, as "National Christmas Seal Month."

I call upon all government agencies and the American people to observe this month with appropriate activities supporting the Christmas Seal program.

In Witness Whereof, I have hereunto set my hand this 2nd day of Nov., in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 10:29 a.m., November 4, 1982*]

Note: The text of the proclamation was released by the Office of the Press Secretary on November 3.

Proclamation 4996—National Alzheimer's Disease Week
November 2, 1982

By the President of the United States of America

A Proclamation

Alzheimer's disease, a major brain disorder, results in the progressive loss of mental faculties, often beginning with impairment of memory, learning, attention, and judgment. While some types of dementia are curable, Alzheimer's disease is not. In time, it erodes thought, feeling, and behavior and leads to death. Family members and friends of the afflicted fully comprehend the special suffering imposed by this depersonalizing illness.

Alzheimer's disease and related disorders represent a health problem of enormous dimensions. Thanks to progress in neurobiological research, we know that Alzheimer's disease is not, as once thought, a normal consequence of aging. Rather, it is a pathological deviation from the norm—and as such must be susceptible to prevention or treatment once its underlying cause or causes are known. Alzheimer's disease is being fought through several approaches; promising early studies are spurring further vigorous research.

The fight against Alzheimer's disease needs many allies. I salute the many Americans who are working for increased public awareness of this baffling disorder and the scientists whose research holds the promise of hope.

Now, Therefore, I, Ronald Reagan, President of the United States of America, in accordance with House Joint Resolution 496, do hereby proclaim the week beginning November 21 through November 27, 1982, as "National Alzheimer's Disease Week," and I call upon government agencies and the people of the United States to observe this week with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this 2nd day of Nov., in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 10:30 a.m., November 4, 1982*]

Note: The text of the proclamation was released by the Office of the Press Secretary on November 3.

Remarks and a Question-and-Answer Session With Reporters on the Congressional Elections
November 3, 1982

The President. We've just decided that some of you must be sleeping late, because your ranks seem to have diminished here after the long night. But we've been through the long night and just wanted to say to you that we're very pleased with the results.

Our target in the one House had been, as we said, somewhere between 17 and 27. Well, apparently it's turned out between 17 and 27 that we've lost in the House, but the main point is, and we're gratified, that we have not only maintained control of the Senate but that when we started 2 years ago we had 53, and we now have 54 Republican Senators. And we look forward to working with this Congress now in a bipartisan fashion to solving the major problems that still have to be solved.

Q. Senator Dole said that you're going to have trouble getting your programs through.

Q. Mr. President, what about a midcourse correction?

The President. What?[1]

Q. Should there be a midcourse correction, Mr. President? They did vote 25 seats fewer for your party.

The President. That fellow out there. I've heard his. You're saying that Senator Dole said that we had our—we would have trouble——

Q. You'd have trouble getting your programs through, given the new makeup of the House.

The President. Well, Bill [Bill Plante, CBS News], we've had trouble for 22 months. It's been a struggle every foot of the way. But we approach this—there have been concessions and compromises in both directions on all of the major issues, and we expect to continue to work with the Congress in that way.

Q. [*Inaudible*]—do you think the message, Mr. President, was that there should be a midcourse correction, that you should moderate somewhat the fundamentals of your program?

The President. Well, I heard all of that, and I think some of that is rhetoric of the campaign season which is now over, because the truth of the matter is, we've had some midseason course changes. We never achieved all that we had asked in budget reductions. We compromised very broadly in the tax program. We started asking for a 30-percent cut across the board retroactive to January 1st, '81. We settled for 25 percent beginning in October of 1981. And we then further, in order to get further budget cuts, we were willing to compromise on the tax package in which we agreed to certain tax increases.

So, I think there has been a fair exchange and a willingness to meet other people's views.

Q. Sir, do you expect to have a——

Q. Are you willing to compromise on the defense budget, Mr. President?

The President. What's that?

Q. Are you willing to compromise on the defense budget and, also, on the third year of the tax cut? Tip O'Neill says you have to compromise more now, and you sound more conciliatory.

The President. Well, as I've said, we will work with them in a bipartisan fashion in an attempt to solve these problems. We won't compromise on principle—of what we absolutely believe is essential to the recovery. And we go into this session with the awareness that everyone must have, and that is that what has been done so far is apparently working very successfully.

Q. Sir——

The President. Sarah [Sarah McClendon, McClendon News Service]?

Q. ——do you plan to have some conferences with the leaders of both parties, not just those in Congress but others—a coalition of conferences here to plan programs for the Nation on agriculture and housing and international finance?

The President. Well, Sarah, we've done that regularly throughout these past 22 months. I meet in that Cabinet Room with bipartisan leadership groups. And I meet——

Q. But I mean outside of Congress. I mean bringing the two political parties together for the good of the Nation.

The President. Well, we have met with leaders, both Democrat and Republican, in the various fields that you've mentioned—whether it's business, finance, agriculture. We've done that as a regular matter of course.

Q. Are the Republicans in a weaker position for 1984?

The President. I don't think so at all.

Q. How about your own candidacy?

The President. What?

Q. How about your own possible candidacy?

The President. Well, it's not time to talk about such a thing yet. I've said that many times.

But let me just say, first of all, there's a smile on our faces, and intentionally so. If you look traditionally at what has happened in a situation of this kind, we have every reason to feel good. A President, newly elected and who has brought in with him one house of the legislature—or the Congress in his election—this is the first time since 1928 that he has not lost, 2 years later, that House majority that he brought

[1] *Airplane noise from Washington National Airport made hearing the reporters' questions difficult.*

in with him. The average in times of economic stress—the average loss in this 2-year election is 46. We feel very good about what's happened. Sure, we'd like to have won everything, but we knew we weren't going to.

Q. Now that this election's over, could you give us your assessment of what sort of a campaign it was? Many have charged it's one of the most backstabbing ones we've ever had. There were some tough words between you and Speaker O'Neill, particularly on unemployment and social security. Give us your assessment of the election and the campaign, how it was run.

The President. All in all, I think it was a very good campaign. But you can't make a blanket assessment. Individual campaigns are run by candidates. Their own personalities and beliefs set the tone for their campaigns. But out in those States that I went to, the campaigning was on a positive basis that I saw and observed. And the Vice President here has gone much farther than I have in traveling around the country and in seeing this. George, have you seen too much of——

Q. Well, what about social security and unemployment? They said a number of things about that. How do you think that worked out?

The President. Well, yes, I think that seizing upon both of those—I said before and I will repeat—the charges that were made in order to try and frighten voters into voting one way, the charges that were made with regard to social security were absolutely without any foundation whatsoever. There was no truth behind them. There never was any secret plan written by us. And we're waiting for the Commission to come in with its recommendations on the needed reforms that must be made if that program is to remain fiscally sound.

Q. Mr. President, 2 years ago—18 months ago, you were hoping to try to regain—or gain control of the House. Now you've had a 25-seat loss. I was wondering why you are so optimistic today, why you think that's a good result.

The President. Well, partly, I go by history. I gave you what the average was—or the average loss for when the economy was in the condition that the economy is today, but even the overall average loss is 31. So, we beat the odds.

Q. Mr. President, what are the two or three issues that you think will dominate this Congress that was just elected last night?

The President. What are the issues that will dominate it? They will continue to be the economy, to continue doing the things that will reduce unemployment, the resolving of the issue we just talked before, that there has been a long-time postponement.

The first time that I ever made a speech pointing out that social security was actuarily out of balance—and at that time by $300 billion—was in 1964. And in all the years since, nothing has been done to do anything about that. And now the imbalance has caught up with us, and within the next several months, we're going to have to actually face the issue of where the money's coming from. So, I think that's an issue that can no longer be swept under the rug.

Q. Are you going to stay the course with high deficits?

Deputy Press Secretary Speakes. Last question, please.

The President. Are we going to stay the course with high deficits? We're going to stay the course, because the best way to reduce the high deficits is to continue the reduction of unnecessary Federal spending and the necessity of restoring the economic base, because the high deficits have come about through several factors. But one of the most important is the high unemployment, which has taken people off the tax rolls and at the same time has increased the output for subsistence for those people who are penalized by unemployment. So, when we can get the economy back working again, that will take care of the revenues that are necessary to help us reduce those deficits.

Mr. Speakes. Thank you, sir.

Q. [*Inaudible*]—have to wait for the economy to get going——

The President. He said that——

Q. ——again in order to get back to work, is that it?

Mr. Speakes. That's the last question.

The President. What's that?

Q. The ones who aren't working, they have to wait for the economy to get going again to get back to work?

The President. No, Bill, if you really analyze the unemployment situation, there is a constant returning to work and others—this is not a steady pool of individuals who have formed that unemployment. I'm trying to remember exactly the figure here, but I can tell you that it is a third or better of the people that are unemployed, are unemployed for less than 6 weeks and a figure that gets up to around 60 percent are unemployed for less than 16 weeks. And so, there are—part of the present increase in unemployment was not additional people losing jobs, although some did. But a portion of the increase in unemployment was new people entering the work force for the first time.

Q. So, you don't think unemployment will go up any further?

The President. It may; it may go up a few fractions of a percentage point. But what I am saying is that the unemployment problem is one of an ever-shifting pool of unemployed, and what we have to do is get the economy going, creating the new jobs to meet the increase in the work force—that the work force is constantly increasing in size.

Q. Are you going to miss making fun of [California senatorial candidate] Jerry Brown? [*Laughter*]

The President. I am just smiling broadly. California, as you might know, was one of the happier moments in the evening for me last night.

Q. Did you put [Nevada senatorial candidate] Chic Hecht over the top? Are you taking credit for that?

The President. No, he's a good candidate. Chic Hecht won. I wouldn't take that credit.

Note: The President spoke at 10 a.m. in the Rose Garden at the White House. He was accompanied by the Vice President.

Nomination of Two Members of the National Council on the Arts
November 3, 1982

The President today announced his intention to nominate the following individuals to be members of the National Council on the Arts, National Foundation on the Arts and the Humanities, for terms expiring September 3, 1988:

Raymond J. Learsy would succeed William H. Eells. He is president of Agricultural and Industrial Corp. in New York, N.Y. He is also publisher of Agrinde Publications, Ltd. He serves as a trustee of the Whitney Museum of American Art and on the executive committee. He is a graduate of the Wharton School of Finance and Commerce. He is married, has six children, and resides in New York City. He was born October 16, 1935.

George L. Schaefer would succeed Harold Prince. He is president of and producer/director for Compass Productions, Inc., in Los Angeles, Calif. He received Emmy awards for show of the year (1960, 1961), for best director (1959, 1961), for best single dramatic show (1968, 1973), and the director of the year award for a radio-TV daily (1957, 1960, 1963, 1965). He graduated from Lafayette College (A.B., 1941). He is married and resides in Beverly Hills, Calif. He was born December 16, 1920.

Remarks of the President and Prime Minister Giovanni Spadolini of Italy Following Their Meetings

November 3, 1982

The President. Ladies and gentlemen, Prime Minister Spadolini and I have had a most productive and harmonious discussion today covering a wide range of important issues. Our discussions confirmed the wide-ranging accord that exists between our two countries on matters affecting world peace, Western solidarity, and international economic cooperation. And this is only fitting as between allies as close as the United States and Italy.

On the key issues of East-West trade, Prime Minister Spadolini and I agree that the United States, Italy, and the other allies must pursue discussions aimed at establishing a broad transatlantic consensus. Our trade and financial relations with the Soviet Union must take into account the nature of the Soviet conduct toward its neighbors. The Prime Minister shared with me Italy's special perspective in this regard.

We discussed the current situation in the Middle East, where our two countries are working closely both to guarantee the peace which prevails in the Sinai and to assist the Government of Lebanon in securing withdrawal of all foreign forces and restoring its full authority throughout the territory. The Prime Minister stated a readiness in principle to support the expansion of Italy's contribution to the multinational force in the context of broadening the force's mandate and its composition. And I want to take this occasion to extend my personal appreciation to the Prime Minister for his vigorous and constructive contributions that Italy is making to the promotion of peace and stability in that critical region.

We also discussed the importance of the aerospace industry in strengthening the technological capability of the West, and we've agreed to instruct the appropriate authorities in our respective governments to facilitate cooperation in this sector. In this connection, the Prime Minister and I agree that our governments would establish working groups to explore the means of future cooperation between our two nations.

During our discussion of Western security issues, I expressed appreciation to the Prime Minister for Italy's indispensable contribution to the December 1979 NATO decision on the intermediate-range nuclear forces. I reaffirm to him my commitment to pursue vigorously negotiations leading to the elimination of such forces by both sides and to the deep reduction in strategic nuclear forces as well.

I'd like to close on a personal note. This was my fourth meeting with the Prime Minister, and my admiration and respect for him has grown with each encounter. The United States has no better friend in the world than Italy, and the West has no more erudite and distinguished a leader than my friend, Giovanni Spadolini. After our meetings in Europe, it was a great pleasure for me to receive him here at home, and I look forward to seeing him once again when he returns to the United States for the economic summit that will be held in Williamsburg next spring.

Welcome.

The Prime Minister. I have come today to see President Reagan, together with Foreign Minister Colombo, not only in behalf of Italy but also as the interpreter of the concerns and common feelings of Western Europe—that Europe that finds itself in the values of freedom and tolerance and of respect of man for man, which are part and parcel of the Atlantic community.

I have told President Reagan about the absolute need to find a global strategy in the economic and trade relations with the Eastern countries. The misunderstandings of the last months must be replaced by a new partnership on a basis of equal dignity and a mutual understanding based on the agreements of Versailles and on which the Italian contribution was determining.

As Italians, we feel that in consistency with the approach adopted at Versailles, the Western World must find and define a common approach based on a greater strictness of an economic nature in its relations

with the Eastern World and based on and inspired by the following four points:

First, no undue gift to the Soviet Union as far as credits are concerned; [second], greater strictness in the transfer of technologies to the Soviet Union; third, implementation of a security net within the Western system so as to reduce the dependence on the Soviet Union concerning raw materials and energy products; fourth, the contracts that have already been signed by European countries concerning the pipeline must be honored, so as not to prejudge the credibility as far as the trade of the Western World is concerned.

But I think that, amongst these four points, we also feel that it is indispensable to have a prejudicial position that would affect in a legitimate manner the past or that would create obstacles for the future.

Following the first meetings that I have had here in Washington, the United States has made a further step forward towards the solution of this problem through a formula which will be presented this evening to the Ambassadors of the countries concerned. And within this perspective, and aware of the need of the lifting of sanctions as a consequence of the new agreement, Italy will continue to commit itself to find a conclusion and a solution, so as to have a global agreement—a solution which I think is very near.

I will also present this same position in Paris in the very close meeting that I will have with President Mitterrand. The political solidarity between Europe and the United States that we want to defend at all costs also implies the overcoming of these conflicts which are not necessary and that we are having because of the Soviet Union.

Italy is and will always be coherent to the principles that have been inspiring for more than 30 years its foreign policy, and which are based on the strengthening of the bonds with its partners of the Western World and, first and foremost, with the United States, which is the essential premise to start, once again, and on the basis of a guaranteed security, the East-West dialog, which is undergoing new tensions today which torment us and concern us very much. I am thinking in particular of the situation in Poland and in Afghanistan. This is why, in spite of the international difficulties—and I think that because of these difficulties—we are convinced more than ever about the fact that we should pursue in the negotiations undergoing in Geneva for a balanced control and reduction of armaments.

I have reaffirmed to President Reagan the conviction that Italy has: that to find peace in the world it is necessary to also act for the development of a policy which would favor the dialog between the north and the south on our planet. And I am referring in particular to the difficult areas of the Mediterranean. And it is in this framework that I am thinking of satisfaction of the joint action of our two countries—first in the Sinai and today in Beirut, an action that we want to strengthen in agreements between our two governments and that in the next days will find a further development with the parallel decisions which will increase our presence in Lebanon, always with the aim of giving to that torn country a condition of true independence and stability.

Within the framework of bilateral collaboration, which is developing in all fields from the economic to the cultural, and within the framework of our collaboration, also, in the fight against terrorism and against narcotics, I have told President Reagan about the Italian decision which will have to be now defined in the competent fora, to buy from the American industry 30 [1] McDonnell-Douglas DC9 80 aircraft.

I have also conveyed to President Reagan the warm greetings of the President of the Italian Republic, Mr. Sandro Pertini, seeing with satisfaction that in the last 2 years Italy has confirmed its role amongst the most industrialized countries of the Western World. And this is why I've been able to come here expressing the voice of an Italy which is determined to respect its international commitments and to, therefore, begin working from the strengthening of defense in the Atlantic alliance; to struggle, therefore, against economic difficulties which are

[1] *In the original translation, the interpreter said three aircraft. She corrected the error at the conclusion of her translation of the Prime Minister's remarks.*

common to the whole Western industrialized world. And we are doing this in a very strict and steadfast manner.

All Europeans know how much they owe to the United States that twice has given back freedom to our continent. And I, therefore, have been interpreter of these feelings to my friend, President Ronald Reagan, a man that I admire very much for his loyalty, dedication to individual freedoms of the whole world.

Note: The President spoke at 1:23 p.m. at the Diplomatic Entrance on the South Lawn of the White House. Prime Minister Spadolini spoke in Italian, and his remarks were translated by an interpreter.

Earlier in the day, the President and the Prime Minister held a meeting in the Cabinet Room. Following the meeting, they continued their discussions during a luncheon in the Residence.

White House Statement Following Discussions With President Luis Alberto Monge Alvarez of Costa Rica

November 4, 1982

President Reagan and President Monge met for about 30 minutes in the Oval Office, where they discussed a number of subjects. First, they discussed the Conference on Free Elections, which is the reason for President Monge's visit to the United States. At President Reagan's invitation, he will be addressing the Conference Friday. Both Presidents noted the important contributions it can provide to the strengthening of democratic institutions. In this regard, they also discussed the San José Conference of October 4, which produced agreement by the eight democratic states attending on the conditions necessary for the establishment of peace and stability in Central America. That Conference also created a regional organization to provide technical assistance to countries wishing to hold democratic elections.

In addition, the Presidents reviewed the status of President Reagan's Caribbean Basin Initiative. Congress has approved one of the major elements of this initiative—a $350 million economic assistance supplemental. President Reagan is treating the remaining elements of the program—the trade and investment incentives—as a top priority and will urge Congress to enact those features when it returns later this month. He told President Monge he will work hard toward that goal, and the Costa Rican leader reiterated his strong endorsement of the initiative as vital to the region.

The two Presidents also discussed President Reagan's upcoming trip to Latin America, which includes a visit to San José, where, President Monge told President Reagan, he would be warmly welcomed.

Also attending the meeting were Costa Rican Foreign Minister Fernando Volio, Costa Rican Ambassador to the U.S. Harrison, U.S. Ambassador to Costa Rica McNeil, Secretary of State Shultz, Judge [Assistant to the President for National Security Affairs William P.] Clark, and Assistant Secretary of State Enders.

Remarks at a White House Luncheon for Delegates to the Conference on Free Elections

November 4, 1982

President Reagan. I would like to welcome all of you to the White House. It's a privilege and an inspiration to be host to this distinguished gathering.

In this room today are representatives of thriving democracies on many continents. President Monge leads one of Latin America's strongest democracies. Mr. Shehu Musa is the personal representative of President Shagari of Nigeria, Africa's most populous nation and a democracy. Europe's advanced industrial democracies with traditions of representative governments stretching over generations are represented here. So, too, are Asia's new democracies. And we also welcome representatives of international parliaments: President [José Maria de] Areilza of the Council of Europe Parliamentary Assembly, Vice President Elles of the European Parliament, Vice President Townsend of the Latin American Parliament.

And I would also like to greet the democratic leaders who are with us in spirit—only Prime Minister Spadolini of Italy, who could not attend this luncheon but who has sent a message of greetings in which he expressed on behalf of his people—well, he did it, I should say, not in sending a message, in delivering a great keynote address to this gathering, which you heard. King Juan Carlos of Spain has sent a message of greetings in which he expressed, on behalf of the Spanish people and himself, support for the principles and objectives of this Conference.

And we are here today to celebrate a common vision, a vision of a world where right to self-government is openly acknowledged—where the state is seen as not the master, but the servant of man. In particular, this Conference is concerned with free elections, the very foundation of democracy. There's no more striking symbol of democracy than the picture of a citizen casting a ballot, electing a leader, choosing his or here own destiny.

Earlier this week, elections were held here in the United States. I spent the last 2 weeks on the road working for votes and trying to understand my country's problems better. And so did thousands of candidates for local, State, and Federal offices with a wide variety of views. On Tuesday of this week, the people gave their verdict in free elections. And the process is the same in your countries.

The free flow and the open competition of ideas is the heart of our free societies. What a striking contrast this is with those nations of the world where the people have no role but must sit weakly by and wait for a small group of men to conclude their struggle for power behind closed doors and then rule without being accountable to anyone.

But there's something else that brings us together today. It's an excitement that we share about the opportunities for the spread of democracy, the sense of hope about the prospects for the future. One of my predecessors in this office shared this excitement. General Eisenhower wrote in his personal diary less than a year after the end of the Second World War, "Our most effective security step is to develop in every country where there is any chance or opportunity a democratic form of government. To lead others to democracy we must help actively, but more than this we must be an example of the worth of democracy." Well, I can think of no better way to express the challenge to those of us participating in this Conference and free men everywhere than those words of Dwight Eisenhower's.

That this Conference is taking place is testimony to the growing power of democratic ideals. And their appeal has led me to suggest to the British Parliament last June that you and I live at a turning point, a moment in time, and when time and circumstance and the sound instincts of good and decent people can unite to redirect history, to bring about a new and more hopeful life for future generations.

Some may see this prognosis as too opti-

mistic. I do not underestimate the capabilities for repression of dictatorships of either the left or the right or the devastating effect of terrorism. But the imperishable democratic ideal and the democratic movement—these are stronger. As shown in country after country on the continents which all of you in this room represent, mankind has an unquenchable aspiration to control its own destiny.

It's our duty to speak out against the evil and the cruelty of misused state power. Unless we speak out, unless we give voice to the decent impulses of mankind and our own deepest held convictions, a kind of moral atrophy sets in, and we too may ultimately lose faith in the appeal and the power of our convictions.

This Conference is a further step in our support for the democratic movement. It's an opportunity to point out to the world that democracy gives to the people of each nation a chance to chart their own course. It's an opportunity to point out how free elections place the hand of the people firmly on the tiller of state, how the free competition of ideas at the ballot box is an invitation to stability and flexibility that is so necessary for economic and social progress, how universal suffrage is the certain route to popular support for institutions and policies, how the accountability of elected officials is the surest guarantee that the people's will is respected and that the fruits of growth will not be channeled to only a few.

All of these realizations provide a powerful antidote to those who argue that state power and armed might are the only means to social or economic progress. In case after case, we have seen the democratic states, which rely on the initiative of their own people, develop their economies and societies far further than centralized states. We must not underestimate the task that we face in supporting the growth of democracy.

Democracy cannot be imposed from outside and it frequently evolves only after patient, incremental steps. It must be the product of free institutions—churches, labor unions, independent judiciary, and the press—and its life-giving, rejuvenating process is a citizen placing his vote in a ballot box—the subject of this Conference.

Your presence today already provides inspiration to those who believe in and work for democracy. I'm confident that your deliberation will be a source of new insight and wisdom. Yet, we must do more than note the lessons of the past and the challenges of the future. It is my hope that this Conference will produce not only a new commitment to freedom but a positive program for international action.

Your Excellencies and ladies and gentlemen, I wish you success in your deliberations and ask you to join me in a toast to our distinguished guests and most of all to our most prized heritage of our past and the most promising prospect for our future: personal freedom, the right to self-governing democracy.

President Monge. My dear friend, the President of the United States of America, Ronald Reagan, distinguished delegates to this Conference on Free Elections, ladies and gentlemen:

It is an immense honor for me, for my people, and for me as President of my republic to thank President Reagan for his words and also for his having convened this Conference.

So we have come to this event, an event which I consider to be of the greatest importance in the struggles of peoples for freedom and democracy. We are gathered here together, peoples from different places throughout the world, but they are all together in their identification with the ideals of democracy.

People have come here to this gathering from all corners of the world, all of them with a deep faith in democracy. In spite of adversities that might come up in each one of our countries from time to time in the struggle for democracy, we all share the deep faith that in the end there will be a triumph of democracy throughout the world.

And so this position adopted by the United States of America, through its President, of calling us here together and of establishing the theme and the title for this Conference is a position of the utmost importance for the future in our day-to-day work in defense and for development of democracy, because free elections, thanks

to this clear-cut, categorical position of the United States, have been enhanced. And this is the way to promote the cause of democracy, because we cannot conceive of democracy without there being, first of all, free and fair elections in which the will of the people can be expressed as to the type of government that they choose for themselves.

And so, for those of us who want to preserve democracy and freedom for our peoples and, above all, of those for those peoples that are debating internally, that are shedding blood in the search for freedom and democracy throughout the world, the adoption of this position by the United States of America in favor of democracy in a militant and active way without a doubt will serve as a tremendous injection, a tremendous source of encouragement that we sorely needed at this time in which we are at a great and significant crossroads as far as democracy is concerned in Latin America and indeed throughout the world.

And so, this position announced by President Reagan is a sign that is very deep, that goes much deeper than what I've said already, and has an additional dimension as far as the future is concerned, because it destroys what many people have been saying, that there is a false choice and that the peoples face in their struggle for freedom that the choice is only when you have the aggression and the advances of Marxist-Leninist totalitarianism, that the only choice for that, alternative to that, is conservative military dictatorships equally oppressive of the people. And I think that the clear-cut expression of this position by the United States in favor of free elections has been irreplaceable, because it is irreplaceable as far as the development of democracy is concerned. And I think that the United States, by expressing this position, has shown that there is another choice when you are faced with the possibility of a Marxist-Leninist totalitarian system and that that choice is authentic and true democracy with freedom and social justice for the people.

And so, if democracy is going to win, as was very well said by President Reagan, we have to consider what is it that we are going to offer a small country such as ours to this cause of achieving democracy—as I said, a country that is small. It is small in terms of population. It is small as far as territorial extension is concerned. And so, what can we do? What can this small democracy of ours do to help—a country that has decided generations ago to disarm itself unilaterally, a country that decided on its own to abolish its own army, and that has built a democracy, a democracy which we acknowledge is not perfect. Because democracy will never be perfect, we must always seek perfection. But we must always realize that we will never achieve it and must, therefore, continue to work on it.

So, what can a small democracy, as I said, offer in this struggle of the peoples to find themselves a democratic system? I think we do have a lot to offer. It's an offer that we make with all modesty. We cannot offer any military power. We cannot offer any economic power. But we can offer the dedication and the deep vocation of a people for the cause of freedom and the cause of democracy.

And we offer an alternative that will represent the defeat of false theories that have been expressed in the past—theories, for example, the claims of some people that have gone as far as to say that democracy is a plant that cannot grow in the tropics. And I say to you today that we are of the tropics. We are men of the tropics. And we offer this effort of many generations that have established democracy so deeply in our country so that it is deeply rooted in the minds and hearts of our own people. And we offer this to the peoples of the world who want to achieve the same democracy.

And there are others who have said that democracy is a sort of a dessert that can only be afforded by rich countries. Well, I say to you today that we are a poor country, an underdeveloped country. But we have been able to consolidate democracy in our land. And so, we reject all of those people who have been battering at us, from the military, oligarchical despots in the past who have tried to attack the democracy of our republic throughout our history. And we also reject the present attacks at the present time of Marxist-Leninist totalitarianism that is trying to break our intractable tradition and efforts in order to contin-

ue democracy among our people.

And so, at this present juncture in our history, surrounded by turbulence, surrounded by violence, there are attacks presented by the people who are the enemies of democracy. And we'd like to have the historic pretentiousness and vanity perhaps to say that yes, in spite of all the history that is past, we have a new contribution to make to this cause of democracy. And you may ask what that new contribution is. And my reply is that we reject a strategy of blackmail that is trying to seek and has achieved in some countries a division, a separation, create a distance between democracies that exist in poor and small countries and the democracies of the rich and the large countries. And this strategy has divided sometimes our efforts and has drawn our attention, has weakened our energies that should be devoted to the defense of freedom and democracy, not only in the Americas but also throughout the world.

So, this contribution is that we reject this strategy. We will not accept it. We will not be afraid, no matter what the aggressiveness is against the Goverment and the democracy of Costa Rica that is promoted by the apparatus of international communism, because we believe that we should continue to make efforts to solidify and develop all democracies throughout the world and that we will defeat the strategy of dividing the democracies of the rich and the strong from the democracies of the poor and the weak.

Thank you, President Reagan, on behalf of all of us who work for the defense of freedom and of democracy. The position adopted by your government is extremely significant, the position to which I have referred to several times during my comments. And I would dare go as far as to announce that the people of the United States will be deeply grateful, a country that has such a strong vocation for the cause of democracy and freedom, will be deeply grateful for the position that you've announced so clearly, which has done so much to help and to present the true image of the democracy of the United States of America.

Thank you.

Note: President Reagan spoke at 1:31 p.m. in the East Room at the White House. President Monge spoke in Spanish, and his remarks were translated by an interpreter.

Executive Order 12391—Partial Suspension of Federal Service Labor-Management Relations

November 4, 1982

By the authority vested in me as President by the Constitution and statutes of the United States of America, including Section 7103 (b) (2) of Title 5 and Section 301 of Title 3 of the United States Code, and having determined that it is necessary in the interest of national security to suspend certain labor-management relations provisions with respect to overseas activities of the Department of Defense, it is hereby ordered as follows:

Section 1. Suspensions. With regard to United States citizen employees of the Department of Defense, including the Military Departments, who are employed outside the United States as defined in 5 U.S.C. 7103 (a) (18), with the exception of those employed in the Republic of Panama:

(a) The provisions of 5 U.S.C. 7105(a)(2) (D), (E), (G), and (H) and of 5 U.S.C. 7123(b) are suspended with respect to any matter which substantially impairs the implementation by the United States Forces of any treaty or agreement, including any minutes or understandings thereto, between the United States and the Government of the host nation;

(b) The provisions of 5 U.S.C. 7102(2), 7114(a)(1), 7114(a)(4), 7116(a)(5), and 7117(c) are suspended with respect to any matter proposed for bargaining which would substantially impair the implementation by the United States Forces of any treaty or agreement, including any minutes or understand-

ings thereto between the United States and the Government of the host nation;

(c) The provisions of 5 U.S.C. 7116(a)(7) and 7117(b) are suspended with regard to any regulation governing the implementation by the United States Forces of any treaty or agreement, including any minutes or understandings thereto, between the United States and the Government of the host nations; and

(d) The provisions of 5 U.S.C. 7121(b)(3)(C) are suspended with respect to any grievance involving the implementation by the United States Forces of any treaty or agreement, including any minutes or understandings thereto, between the United States and the Government of the host nation.

Sec. 2. Disputes. Disputes between a labor organization and the United States Forces as to whether a particular matter is covered by one or more of the suspensions set forth in this Order shall be referred to the Secretary of Defense. The decision of the Secretary in such disputes shall be made after consultation with the Secretary of State and shall be final. The Secretary of Defense may delegate this authority, but only to the Deputy Secretary of Defense, an Under Secretary of Defense, or an Assistant Secretary of Defense. The functions assigned to the Secretary of State may not be delegated or assigned to anyone below the rank of an Assistant Secretary of State.

RONALD REAGAN

The White House,
November 4, 1982.

[*Filed with the Office of the Federal Register, 10:04 a.m., November 5, 1982*]

Announcement Concerning the Partial Suspension of Federal Service Labor-Management Relations

November 4, 1982

The President today signed an Executive order which excludes from overseas labor-management bargaining any policy or regulation that substantially impairs the implementation of international agreements. These are usually referred to as Status of Forces Agreements (SOFAs).

Between 1962 and 1979, the Federal labor relations program authorized the suspension of collective bargaining provisions for installations or activities located outside the United States where determined necessary in the national interest. Since 1979 this authority was vested by statute in the President (5 U.S.C. 7103(b)) where he finds such suspension is necessary in the interest of national security. This authority was previously invoked in November 1979 under Executive Order No. 12171, when the Drug Enforcement Administration's overseas units were removed from coverage of the Federal labor relations program.

Past experience indicates that the Executive order will not affect the traditional bargaining issues which are of concern to some 10,000 U.S. citizen employees of the Department of Defense in overseas bargaining units.

Employees at overseas bases generally bargain on the same matters of personnel policy and working conditions as their counterparts at Federal activities in the United States. They bargain on such issues as promotion plans, grievance procedures, safety and health matters, duty hours, equitable overtime assignment practices, and many other subjects. Overseas employees are subject to most of the same personnel policies and regulations as their U.S. counterparts as well as those applicable only in overseas areas. Additionally, various aspects of their daily lives are affected to varying degrees by treaty provisions and agreements negotiated between the United States and the host countries (SOFAs).

Recently, labor organizations representing U.S. citizen employees in overseas areas have sought to bargain on matters affecting

the implementation of a SOFA. The union proposals demanded exceptions from SOFA implementing policies of the United States dealing with (1) the registration of privately owned vehicles in Korea, and (2) ration control policies directed at ensuring that duty free goods purchased in government exchanges are not illegally disposed of in the host country. The proposals would have exempted U.S. citizen employees from policies designed to carry out SOFA requirements and understandings jointly agreed upon by U.S. and Korean Government representatives.

The Federal Labor Relations Authority has ruled that such proposals relate to conditions that affect conditions of employment in overseas areas. This Executive order is the President's determination that such proposals substantially impair the implementation of a SOFA. Further, it is the President's determination that bargaining on such proposals would result in complicating the execution of country-to-country agreements and exacerbate relations with the host government such that the suspension of certain labor-management relations provisions is necessary in the interest of national security. However, the Executive order is narrowly drawn and the exemption of any specific proposal must be grounded on a finding that it would substantially impair the implementation of a treaty, agreement, or understanding between the United States and the host nation.

Employees in the Republic of Panama are not affected by the Executive order because labor relations in the former Canal Zone are governed by special provisions of U.S.-Panama agreements and the Panama Canal Act of 1979.

White House Announcement of the Resignation of James B. Edwards as Secretary of Energy

November 5, 1982

The President today accepted with deep regret the resignation of Secretary James B. Edwards, effective at 5 p.m. today. In his letter to Secretary Edwards, the President said the following:

"It is with deep regret that I accept your letter of resignation. You have been a most loyal supporter and team player, for which I am most grateful.

"You have met many challenges over the past twenty months and contributed a great deal of progress toward America's secure energy future. You can look back upon your service with great pride in the years to come."

Recess Appointment of Donald P. Hodel as Secretary of Energy

November 5, 1982

The President today announced his granting of a recess appointment for Donald P. Hodel as Secretary of the Department of Energy effective immediately upon the departure of Secretary Edwards. Upon the Senate's return the President intends to nominate Mr. Hodel as Secretary of Energy.

Since completing his legal training in 1960, Mr. Hodel has studied natural resource and energy issues from legal, industrial, government, and consulting perspectives.

He joined the law firm of Rockwood, Davies, Biggs, Strayer and Stoel in 1960 as an associate. From 1963 through 1969, Mr. Hodel was a member of the general counsel's staff at Georgia-Pacific Corp. In 1969 he was appointed Deputy Administrator of

the Bonneville Power Administration by Secretary Hickel. Bonneville operates the largest high voltage transmission system in the free world. He was subsequently appointed Administrator by Secretary Morton in 1972 and served until 1977.

After his initial service in government, Mr. Hodel formed his own consulting firm. In this capacity he served as a consultant to the president of the National Electric Reliability Council. He has been a delegate to the World Energy Conference. He has served as Under Secretary of Interior since his appointment by the President in 1981.

Mr. Hodel is a graduate of the University of Oregon School of Law. He is married and resides in Lake Oswego, Oreg. He was born May 23, 1935.

Nomination of Katherine D. Ortega To Be a Commissioner of the Copyright Royalty Tribunal

November 5, 1982

The President today announced his intention to nominate Katherine D. Ortega to be a Commissioner of the Copyright Royalty Tribunal for a term of 7 years from September 27, 1982. She would succeed Frances Garcia.

She currently serves as consultant to Otero Savings and Loan Association in Alamogordo, N. Mex. She was president and director of the Santa Ana Bank, Santa Ana, Calif., in 1975–1977. She was vice president and cashier, Pan American National Bank, Los Angeles, Calif., in 1972–1975, and tax supervisor with Peat, Marwick, Mitchell & Co. in Los Angeles, Calif., in 1969–1972.

She graduated from Eastern New Mexico University (B.A., 1957). She resides in Alamogordo, N. Mex. She was born July 16, 1934.

Letter to Venezuelans on World Peace and the Situation in Central America and the Caribbean

November 5, 1982

Dear ———:

I have read carefully the letter recently addressed to me from numerous Venezuelan intellectuals, political leaders, and other persons in public life regarding the threats to world peace and the current situation in Central America and the Caribbean.

The people and government of the United States of America share these concerns.

The major objective of my administration, as of every other American administration since World War II, is to prevent nuclear war. Twice in my lifetime, I have seen the world plunged into wars costing millions of lives. Living through those experiences has convinced me that America's highest mission is to encourage the world along the path of peace, and to ensure that our country and all those who share our aspirations of peace and freedom can live in security.

Since taking office, I have sought practical measures to reduce the risk of such a war, and to limit the destructive potential and costly competition in nuclear arsenals. Last year I wrote to President Brezhnev urging him to join me in this effort and proposing that we begin negotiations to reduce nuclear weapons and to strengthen peace.

Last November, I offered to begin discussions with the Soviet Union to find a way to eliminate land-based intermediate-range nuclear missile systems. We are now negoti-

ating in Geneva with the USSR on this proposal, which calls on the Soviet Union to dismantle the more than 600 such systems it has in place, in exchange for which the U.S. and our allies would agree not to install similar systems in Europe.

In May, I proposed a far-reaching approach to nuclear arms control—a phased reduction in strategic weapons beginning with those that are most dangerous and destabilizing, the warheads on ballistic missiles and especially those on intercontinental ballistic missiles. In a second phase, we will seek even further reductions in the destructive potential of nuclear forces. We are now negotiating with the Soviet Union in Geneva on these very proposals.

These negotiations, and others which are in progress or which we will be proposing, provide a historic opportunity for us to reinforce the framework of peace and reduce the risk of war. With the support of our friends and allies, we will do everything in our power to achieve that goal.

There are two fundamental causes of the conflict in Central America: economic, social and political under-development and the violent exploitation of that under-development by Cuba, Nicaragua and the Soviet Union. To bring about peace in the region, we think both causes have to be addressed.

Together with Venezuela, Colombia, Mexico and Canada we are attempting to promote economic development in Central America and the Caribbean through the Caribbean Basin Initiative. No regional objective has a higher priority than passage of this legislation to provide trade and investment incentives to economic development. Our Congress has already approved provision of $350 million in emergency supplemental funds and these are being disbursed to recipient governments.

The development of democratic institutions to complement economic growth is a parallel objective to which we are equally committed. We have supported and have been encouraged by the striking trend toward democracy in Central America and the Caribbean. Honduras and El Salvador have held free and fair elections in the last year, as did traditionally democratic Costa Rica and Colombia. Venezuelan democracy in our judgment continues to provide a worthy model compelling in its vibrancy. The trend toward democracy elsewhere in the hemisphere—we applaud the return of Bolivia to democratic rule—has our full support.

We are also seeking to support democratic political development by directing resources to the development of core skills of democracy. This week, for example, we are hosting a Conference on Free Elections to which democratic representatives from all over the world have been invited.

Our diplomacy has supported the efforts of countries in the region to lessen tensions threatening peace. We participated in the conference Costa Rica convened on October 4 to coordinate efforts for regional peace and democracy. We hope this conference will contribute to defusing tensions in the region.

I believe many Venezuelans share our concern in this regard. The initiative of your President, together with President Lopez Portillo of Mexico, was a constructive step in the same direction. We believe the regional effort begun at the San Jose conference will advance the cause of peace we both support.

As we direct efforts toward economic and political development we cannot ignore the legitimate security needs of countries threatened by external support of internal insurgency. The United States is supplying modest amounts of military equipment and training to the governments of El Salvador and Honduras. Around 85 percent of our aid to these countries, however, is economic.

The commitment to democracy, self-sustaining economic development and non-intervention which we share does not, however, characterize the action of Nicaragua, Cuba and the Soviet Union. Subsidized by the Soviet Union, Cuba and Nicaragua have persistently provided aid to insurgency in El Salvador. Both Costa Rica and Honduras have been victimized by Nicaraguan-supported terrorist attacks. Nicaragua has developed its military potential entirely out of proportion to its objective defense needs. The root cause of so much concern in the region, however, is Cuba's military buildup, which has resulted in resources which could

be better allocated to economic development being directed to arms procurement.

Our two peoples, who have sacrificed blood and energy to obtain, safeguard, and nourish democracy, know well the importance of freedom and the right of free choice. Venezuelans and Americans alike share a mutual desire for peace and freedom in not only this region of the world but throughout the globe. By continuing our efforts, we can together advance the cause of peace.

Dear Mr. President:

Reflecting the sentiments of ample sectors of the people of Venezuela, we would like to express to you our deep concern over the growing threat of another world conflagration which, if it does occur, would bring with it the destruction of all mankind, eliminating all chances for anyone to be the winner.

Within the realm of this concern, the situation now in Central America and the Caribbean strikes us, as Latin Americans, as being rife with serious threats that could even eventually endanger world peace. For this reason, we are opposed to any type of interventionism that threatens the self-determination of the people of this region and impedes their progress as well as popular and democratic development.

These are the reasons that bring us to ask you, in virtue of the important position you hold, to act diligently and decidedly against the threat of another world war and thus save mankind, provide perspectives for a world free of tension, and allow everyone to walk the certain path of peace and social progress.

Note: The letter to the President, signed by more than 200 Venezuelan intellectuals, political leaders, and public figures, was dated September 20, 1982, and delivered to the American Embassy in Caracas on October 15, 1982. The letter was released by the Office of the Press Secretary on November 5, together with the President's response of that date.

As printed above, this item follows the text of the letters as released by the Office of the Press Secretary.

Radio Address to the Nation on the Congressional Agenda and the Economy

November 6, 1982

My fellow Americans:

You may not have been aware, but last Tuesday, when we voted we were being observed by representatives of countries from five different continents. Officials from Africa, Asia, Europe, and South America joined us here to watch and learn as a part of the international Conference on Free Elections.

Sometimes it's good to stop and think how unique we really are. We accept our right to vote as normal, but it is revolutionary. In the eyes of much of the world, it's a miracle. Last Tuesday, as Americans of every race, creed, and walk of life went to the polls and voted, we demonstrated once again that we are the freest people on Earth.

Now that we've chosen the women and men who will represent us and shape our future, we must get on with the business of the Nation. There are serious problems America must face and genuine opportunities we must seize. You, the people, have sent a workable combination of Republicans and Democrats to Washington, and we must get on with the job.

When the Congress recessed last month for the election campaign, it hadn't finished some of its most important work. So, I've asked them to come back. Our needs are too urgent to wait until next year. We must not fritter away the time while millions of our people are barely hanging on. The economic health of America is at stake.

In this session, as in the next, cooperation

will be the key to continue leading America to recovery. Campaign rhetoric and partisan politics must be set aside. Every elected official must bring to his or her work a bipartisan dedication to the good of the Nation. The Congress and the executive branch, Democrats and Republicans, must join together, not to do what's easy, but to do what is right.

In these times of deep unemployment, the Congress must act to bring about growth and new opportunities. First, the Congress must do its part to control government spending. It has not yet lived up to its promise to save $3 in outlays for every $1 already passed in new revenues. Eleven appropriations bills must still be passed, and I will use the veto, if necessary, to keep them within the budget. Second, I urge the Congress to reconsider the constitutional amendment to balance the budget. That bill was among the most important to pass the Senate this year. It was blocked in the House by a minority of big spenders, despite the overwhelming support of the American people. Third, the Congress should act on regulatory reform to help make government and industry more economical and efficient. And fourth, we need the jobs, growth, and opportunities our enterprise zones proposal will stimulate in depressed areas. That has been before the Congress for about a year. And fifth, we need the clean air bill, both to protect the environment and make it possible for industry to rebuild and create more jobs.

These and other pressing needs remain on the congressional agenda. We've had enough talk. Campaign cliches must give way to action. If we're to continue the momentum for recovery, if we're to surmount our problems as I know we can, we must act together, and we must act now.

Just yesterday, the Labor Department announced that the unemployment rate reached 10.4 percent. Now, that's only a cold government statistic, but behind it are real people who are hurting. I'm not going to sugar-coat this news, because I cannot hide my own personal ache. I remember what it's like to be 21 and to feel your future has been mortgaged by the generation before you. That's a terrible tragedy we must never allow to happen again.

In our efforts to revive our economy, jobs must be our most urgent priority, and lasting solutions must be our constant and consistent principle.

How deeply I wish that we could relieve our current situation with some immediate magic method. But there is a new spirit building—of optimism and hope for America's future. The severe problems which have been neglected for years and which caused unemployment to trend steadily higher—problems of runaway spending, taxing, double-digit inflation, and skyhigh interest rates—are now being attacked at their roots. Inflation is down to 4.8 percent. Interest rates have dropped by nearly 50 percent, and taxes on the people are being cut.

A woman from California wrote me. "As a homemaker," she said, "I'm the one who shops and budgets for our family. I'm the first one to notice that my dollars are buying more. Little by little, I find I can breathe easier. For the first time in 5 years, I feel I can do some much needed repairs in our home."

Well, her letter reflects the growing confidence in our country. As more and more Americans see daylight ahead, our economy will grow stronger. We're seeing it begin to happen. Last month, new home sales rose by 24 percent, and new orders for capital goods also increased. Personal savings reached a 6-year high, which helped bring down interest rates and fuel the historic advance in our stock and bond markets. This will provide American industry more capital to invest in our future, and that means better productivity and more jobs.

The groundwork is being laid for the rejuvenation of our economy and the return of millions of Americans to our country's work force.

That wonderful Old Testament book of Ecclesiastes teaches us that "to everything there is a season." Well, my fellow citizens, I've never believed more strongly that America is beginning a season of hope, a genuine hope that springs from the vitality of the American spirit. Now we must seize our opportunity and live up to the principles of courage, hard work, and economic

responsibility that made our country great in the first place.

I know our people will not fail America. They never have. Our task is to be sure our leaders do not fail the American people.

Thank you for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.

Appointment of Six Members of the National Institute of Justice Advisory Board

November 6, 1982

The President today announced his intention to reappoint the following individuals to be members of the National Institute of Justice Advisory Board, Department of Justice, for terms expiring November 6, 1985:

Donald Baldwin is an independent government relations/public affairs consultant and serves as executive director of the National Law Enforcement Council in Washington, D.C. He resides in Alexandria, Va.

Frank Carrington is executive director of the Victim's Assistance Legal Organization (VALOR), formerly Crime Victim's Legal Advocacy Institute, Inc. He resides in Virginia Beach, Va.

Harold Daitch is a partner with the firm of Leon, Weill and Mahony in New York City. He resides in Elmont, N.Y.

Gavin de Becker is a security and safety consultant to public figures and public organizations. He resides in Las Vegas, Nev.

Kenneth L. Khachigian is a public affairs consultant in San Clemente, Calif. He was a Special Consultant to the President from January to May 1981.

Dean Wm. Roach is a commissioner on the Pennsylvania Crime Commission and is owner of St. David's Inn, in St. David's, Pa. He resides in Wayne, Pa.

Announcement of the Formation and Membership of the Presidential Agricultural Task Force to Liberia

November 6, 1982

A Presidential agricultural task force to Liberia will arrive in Monrovia November 7 on a 2-week mission. The task force is being sent in response to a request to President Reagan from Liberian Head of State Samuel Doe during his August 1982 visit to the United States.

This is the fifth Presidential agricultural task force to be sent to a developing country. Earlier teams visited Peru, Thailand, and Honduras. A task force is currently in Venezuela. Plans for the teams were established at the direction of President Reagan following the North-South summit talks in Cancún, Mexico, in October 1981. At the request of a developing country, members of a task force review a country's agricultural policies and the state of technology for small and medium farmers. They suggest ways to improve the agricultural production and marketing systems.

The task force for Liberia, arranged by the Agency for International Development (AID), will be headed by Dr. E. T. York, chancellor emeritus of the State university system in Florida. Dr. York has served as chancellor and as provost for agriculture of the University of Florida and as Administrator of the Federal Extension Service of the U.S. Department of Agriculture. He has traveled in more than 50 countries as consultant to the State Department, the Agency for International Development, and foreign governments in the field of educa-

tion, agriculture, and economic development.

Other members of the task force are: Dr. Harold Capener (Ithaca, N.Y.), professor of rural sociology, Cornell University; Dr. Robert Chandler (Templeton, Mass.), former director of the International Rice Research Institute (IRRI); Dr. Elmer Kiehl (Columbia, Mo.), dean, College of Agriculture, University of Missouri, and member of the Board for International Food and Agricultural Development (BIFAD) board of directors; Mr. W. Gordon Leith (Santa Rosa, Calif.), former chief executive officer, Farmland Industries; Mr. Cloyce Palmer (Fairfield, Iowa), president and chief executive officer, Jefferson Industries, and farmer; and Dr. Louis Upchurch (Gainesville, Fla.), former Administrator, Economic Research Service, United States Department of Agriculture (USDA).

Message to the Congress Concerning the Continuation of the Iran Emergency
November 8, 1982

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination on the anniversary date of a declaration of emergency, unless prior to the anniversary date the President publishes in the *Federal Register* and transmits to Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. I have sent to the *Federal Register* for publication the enclosed notice stating that the Iran emergency is to continue in effect beyond the November 14, 1982 anniversary date. Similar notices were sent to the Congress and the *Federal Register* on November 12, 1980 and November 12, 1981.

The crisis between the United States and Iran, which began in 1979, has eased, but it has not been fully resolved. The internal situation in Iran remains uncertain. The war between Iran and Iraq continues, and the Soviet Union still occupies Afghanistan. The international arbitral tribunal established for the adjudication of claims of United States nationals against Iran and by Iranian nationals against the United States continues to function. Full normalization of commercial and diplomatic relations between the United States and Iran will require more time. In these circumstances, I have determined that it is necessary to maintain in force the broad authorities that may be needed to respond to the process of implementation of the January 1981 agreements with Iran and the eventual normalization of relations.

RONALD REAGAN

The White House,
November 8, 1982.

Notice of the Continuation of the Iran Emergency
November 8, 1982

On November 14, 1979, by Executive Order No. 12170, the President declared a national emergency to deal with the threat to the national security, foreign policy and economy of the United States constituted by the situation in Iran. Notices of the continuation of the national emergency were transmitted by the President to the Congress and the *Federal Register* on November 12, 1980 and November 12, 1981. Because our relations with Iran have not yet been normalized and the process of implementing the January 19, 1981 agreements with Iran is still under way, the national

emergency declared November 14, 1979 must continue in effect beyond November 14, 1982. Therefore, pursuant to section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am so continuing the national emergency with respect to Iran declared on November 14, 1979. This notice shall be published in the *Federal Register* and transmitted to the Congress.

RONALD REAGAN

The White House,
November 8, 1982.

[*Filed with the Office of the Federal Register, 3:13 p.m., November 8, 1982*]

Nomination of Two Members of the Advisory Board of the Saint Lawrence Seaway Development Corporation
November 8, 1982

The President today announced his intention to nominate the following individuals to be members of the Advisory Board of the Saint Lawrence Seaway Development Corporation:

Conrad M. Fredin has been director and vice president of Johnson, Fredin, Killen, Thibodeau & Seiler since 1975. He was a partner in the law firm of Reavill, Neimeyer, Johnson, Fredin & Killen, and successor firms, in 1967–1974. He graduated from the University of Minnesota Law School (LL.B., 1948). He is married, has two children, and resides in Duluth, Minn. He was born June 15, 1922. He would succeed William W. Knight, Jr.

L. Steven Reimers is a farmer in central North Dakota. He is president and chairman of the Foster County Water Management Board. He was a member of the United States Department of Agriculture Advisory Group to the International Wheat Conference in Geneva, Switzerland, in 1971. He graduated from North Dakota State University (B.S., 1950). He is married, has four children, and resides in Carrington, N. Dak. He was born May 14, 1928. He would succeed Miles F. McKee.

Accordance of the Personal Rank of Ambassador to Reginald Bartholomew While Serving at the Department of State
November 9, 1982

The President today announced his intention to accord Reginald Bartholomew, a career member of the Senior Foreign Service, Class of Minister-Counselor, the personal rank of Ambassador in his capacity as Special Adviser to the Secretary of State and United States Special Negotiator for United States-Greek Security Negotiations.

In 1961–1964, Mr. Bartholomew was an instructor in social science at the University of Chicago, and in government at Wesleyan University in 1964–1968. He was with the Department of Defense in Washington, D.C., as Assistant Deputy Director for European Strategic Nuclear Affairs (1968–1972) and Director of Policy Plans for National Security Council Affairs and the Task Force on Mutual and Balanced Force Reductions (1973–1974). In 1974 he joined the Department of State as Deputy Director of the Policy Planning Staff. He was Deputy Director (1979) and Director (1979–1981) of the Bureau of Politico-Military Affairs. In 1977–1979, he was on detail to the National Security Council at the White House. He was Special Cyprus Coordinator, Bureau of International Organization Affairs, in the Department in 1981–1982. Since 1982 he has been Special Adviser to the Secretary of State and United States Special Negotiator for United States-Greek Security Negotiations.

Mr. Bartholomew graduated from Dartmouth College (B.A., 1958) and the University of Chicago (M.A., 1960). His foreign languages are French, German, and Italian. He is married, has four children, and resides in Alexandria, Va. He was born February 17, 1936, in Portland, Maine.

Nomination of E. Robert Wallach To Be a Member of the United States Advisory Commission on Public Diplomacy

November 9, 1982

The President today announced his intention to nominate E. Robert Wallach to be a member of the United States Advisory Commission on Public Diplomacy for a term expiring July 1, 1985. He would succeed Lewis Manilow.

Since 1974 he has been an attorney in the law offices of E. Robert Wallach & David B. Baum. Mr. Wallach was in the private practice of law in 1970–1974; a partner in the firm of Walkup, Downing, Wallach & Sterns in 1964–1970; and an associate with the firm of Walkup & Downing in 1959–1964. He is serving as dean of the Hastings Center for Trial and Appellate Advocacy and as adjunct professor of the Hastings College of Law. In addition he serves as a faculty member of both the National Institute of Trial Advocacy at the University of Colorado (Boulder) and the College of Advocacy at the University of Florida (Gainesville).

He graduated from the University of Southern California (B.A., 1955) and the University of California at Boalt (LL.B., 1958). He resides in San Francisco, Calif. He was born April 11, 1934.

Appointment of Seymour Siegel as Executive Director of the United States Holocaust Memorial Council

November 9, 1982

The President today announced his intention to appoint Seymour Siegel to be Executive Director of the United States Holocaust Memorial Council. This is a new position.

He is currently serving as professor of ethics and theology at the Jewish Theological Seminary in New York, N.Y. He has been professor of humanities and medicine at the Medical College of Pennsylvania since 1980. He was chairman of the department of philosophies of Judaism, the Jewish Theological Seminary, in 1960–1980; the Ralph Simon Professor of Ethics and Theology, the Jewish Theological Seminary, in 1970–1980; senior research fellow, the Kennedy Institute of Bioethics, Georgetown University, in 1976–1977; and dean of the Herbert H. Lehman Institute of Ethics, the Jewish Theological Seminary, in 1960–1969.

He graduated from the University of Chicago (B.A., 1958) and the Jewish Theological Seminary (M.A.; Ph. D., 1968). He resides in New York City. He was born September 12, 1927.

Remarks at a White House Ceremony Celebrating the 207th Birthday of the United States Marine Corps

November 10, 1982

General Barrow, when we think of the Marine Corps, the thought of a piece of cake doesn't exactly come to mind, but I'll enjoy this one, as I say, a little later.

I know that marines pride themselves on being gung-ho. I also know that it's a great risk in talking to any group to try to tell an anecdote or story that has to do with their particular calling. But I'm going to do that even at the risk that you probably already know it. It has to do with that gung-ho spirit.

There was a marine detachment that was sent to an army base to undergo some airborne training. A young lieutenant was explaining this all to them, what was expected, and then said that the plane would come over at about 800 feet. They would jump; they would then assemble and rendezvous with other forces in the area. And when he finished, the marines there went into a kind of huddle. And pretty soon several of them as spokesmen approached the lieutenant, and they said, "Lieutenant, could the plane maybe come over a little lower, say, at about 500 feet?" Well, he explained that, no, it couldn't, because the parachutes wouldn't have time to open. Well, they said, "Oh, we're wearing parachutes?"

I think you have heard it. [*Laughter*] But anyway, seriously, I have great regard for the part that I am allowed to play here in the 207th birthday of the United States Marine Corps.

Since the beginning of the corps, at the Tun Tavern in Philadelphia, on November 10th, 1775, the term "marine" has been associated with courage, military efficiency, and soldierly virtue. You have established a reputation of being the first to fight, and you did it in the old-fashioned way—you earned it. For 207 years, you've been there whenever and wherever our country needed you. From the rigging of ships during the American Revolution, to the brutal island battlefields in the Pacific in the Second World War, to the swamps and the rice paddies of Vietnam, you have never failed your country.

And today as we celebrate, your fellow marines are standing watch in Beirut as part of a multinational force that is carrying out this government's commitment to help bring peace to that troubled area. The rapid and successful landing, the continued strong, responsible presence of our marines in Lebanon is in the finest tradition of the corps. Your readiness for such situations is vital to our national security.

So, today on your 207th birthday, I salute marines, former marines, and their families everywhere. Whether on land, sea, or air, marines have been *semper fidelis*—always faithful—to their country, and speaking for all Americans, I thank you for it. And I am convinced that when we get to heaven, we'll find the streets are guarded by United States Marines.

Thank you, and happy birthday.

Note: The President spoke at 9 a.m. to members of the United States Marine Corps Band in the Rose Garden. Prior to his remarks, Gen. Robert H. Barrow, Commandant of the Marine Corps, spoke and then presented the President with the first piece of a birthday cake.

Nomination of Two Members of the United States International Trade Commission

November 10, 1982

The President today announced his intention to nominate the following individuals to be members of the United States International Trade Commission:

Enrique J. Leon would serve for the remainder of the term expiring December 16, 1982, vice Eugene J. Frank. He will also be nominated for a term expiring December 16, 1991. He is a practicing attorney at law in New York and New Jersey. Since 1973 he has been professor of international finance at Fairleigh Dickinson University and professor of management at Pace University. He was president of Leonso Corp. in 1972–1975. He graduated from the University of Havana, Social and Political Science School (Ph. D., 1944), New York University (M.B.A., 1963), Havana University School of Law (J.D., 1937) and Spain University School of Law (LL.B., 1972). He is married and resides in New York City. He was born December 22, 1913.

Susan Wittenberg Liebeler would serve for the remainder of the term expiring December 16, 1988. She would succeed Michael J. Calhoun. She has been serving as professor of law at Loyola Law School since 1973. She was Special Counsel to the Chairman of the Securities and Exchange Commission, John S. R. Shad, in 1981–1982; consultant to the U.S. Railway Association in 1975; consultant to the Environmental Protection Agency in 1974; and general counsel for Verit Industries in Beverly Hills, Calif., in 1972–1973. She graduated from the University of Michigan (B.A., 1963) and UCLA Law School (LL.B., 1966). She is married, has three children, and resides in Malibu, Calif. She was born July 3, 1942.

Appointment of John F. Duffy as a Member of the National Institute of Justice Advisory Board

November 10, 1982

The President today announced his intention to appoint John F. Duffy as a member of the National Institute of Justice Advisory Board, Department of Justice, for the remainder of the term expiring November 6, 1983. He would succeed Lloyd Edgar Ohlin.

Mr. Duffy is currently serving as sheriff of San Diego County. He was appointed a deputy sheriff for San Diego County in 1953 and was promoted through the ranks, serving throughout the county in a variety of assignments. He was first elected as sheriff in 1970 and was reelected in 1974, 1978, and 1982. He is president of the Washington-based Police Executive Research Forum. He serves on the board of directors and is also chairman of the Law & Legislative Committee of the National Sheriffs' Association.

He is married, has four children, and resides in San Diego, Calif. He was born June 10, 1930.

Recess Appointment of Martha O. Hesse as an Assistant Secretary of Energy

November 10, 1982

The President today announced his granting of a recess appointment to Martha O. Hesse as an Assistant Secretary of Energy (Management and Administration). She suc-

ceeds William S. Heffelfinger, who has resigned.

Ms. Hesse is Executive Director of the President's Task Force on Management Reform. Prior to that she was Associate Deputy Secretary of Commerce. From 1969 to 1981, she was director and chief operating officer of SEI Information Technology, a consulting firm. Ms. Hesse was director of the Division of Data Management for the American Hospital Association in 1966–1969. From 1964 to 1966, she was a research analyst for Blue Shield Association.

Ms. Hesse attended the University of Iowa from 1960 to 1964 and received her M.B.A. degree from the University of Chicago in 1979. She is 40 years old.

Statement on the Second Anniversary of Solidarity
November 10, 1982

Today marks the second anniversary of an important milestone in mankind's age-long struggle for freedom. In November 1980, for the first time since 1917, a Communist government was compelled to grant formal recognition to a free trade union, Solidarity. This unprecedented step was brought about by a nonviolent revolution of millions of Polish workers who could no longer tolerate coercion and mismanagement.

Many hoped that this event would open a new chapter in the evolution of Communist regimes; that it demonstrated they have finally recognized there are limits to the use of force against one's own people and that cooperation is preferable to repression. Unfortunately, as we now know, the official recognition of Solidarity 2 years ago was merely a tactical move to gain time on the part of the panic-stricken Communist authorities.

The Polish Government, working hand in glove with Moscow, persistently refused to implement the terms of the November 10, 1980 accords. Instead, it did everything it could to discredit the union by a campaign of slander and provocation. The campaign failed to achieve its objectives. Finally, in desperation and under intense Soviet pressure, Poland's authorities moved to liquidate Solidarity, whose ideal of worker self-determination jeopardized all Communist regimes.

It is said that by declaring war on its own people, the Polish Government has destroyed Solidarity. This is not so. One can imprison protesters, club and disperse demonstrators with tear gas or water cannons, but the specter remains: Never again will the self-appointed representatives of the workers be able to pretend that they represent anyone but themselves.

Our hearts go out to the brave Polish people. By struggling for freedom and social justice against overwhelming odds, they fight for a cause all humanity shares with them.

Proclamation 4997—National Respiratory Therapy Week
November 10, 1982

By the President of the United States of America

A Proclamation

Chronic obstructive lung diseases afflict an estimated 17.2 million Americans, with more than three million being disabled to a greater or lesser degree by such disorders as chronic bronchitis, asthma, and emphysema and many other serious lung diseases of known and unknown causes.

Many of these disorders are presently in-

curable, but often much can be done to relieve their symptoms and to enable resumption of a reasonably normal existence despite lung conditions that formerly would have made the victim a respiratory cripple. In other situations, the patient whose life is threatened by acute respiratory failure can be restored to health if the lungs can be given a temporary respite while the patient battles back from a potentially lethal injury or illness.

In the treatment and rehabilitation of patients with incapacitating or life-threatening lung diseases, the respiratory therapist frequently plays a critical role. Patients may range from a premature infant with respiratory distress syndrome, through the child with cystic fibrosis, to an elderly patient with advanced emphysema. To all, the therapist applies his skills and knowledge to relieve distressing symptoms, restore normal lung capacity, or help the patient conserve and make the best use of his remaining lung function. Therapy can lead to a complete recovery, prolong life, or make the patient's existence more comfortable.

During recent years, improvements in the diagnosis and treatment of chronic respiratory disease have made increasingly important the contribution of the respiratory therapist in rendering the best possible care to those afflicted by these disorders.

Now, Therefore, I, Ronald Reagan, President of the United States of America, in accordance with Senate Joint Resolution 193, do hereby proclaim the week of November 7 through November 13, 1982, as National Respiratory Therapy Week.

In Witness Whereof, I have hereunto set my hand this 10th day of November, in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 4:25 p.m., November 10, 1982*]

Proclamation 4998—Modification of the Tariff-Rate Quota on Brooms Wholly or in Part of Broom Corn

November 10, 1982

By the President of the United States of America

A Proclamation

Pursuant to headnote 3 of subpart A, part 8, schedule 7 of the Tariff Schedules of the United States (TSUS) (19 U.S.C. 1202), I have determined, on the basis of a report submitted to me by the United States International Trade Commission in accordance with Executive Order 11377 of October 23, 1967, that the estimated annual domestic consumption of brooms entered under TSUS items 750.26 and 750.29 has changed substantially since issuance of Presidential Proclamation 4443 of May 27, 1976, which last set the tariff-rate quotas for these items. The tariff-rate quotas set for items 750.26 and 750.29, therefore, should be modified, as provided below, to reflect the changes which have occurred.

Now, Therefore, I, Ronald Reagan, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes of the United States, including headnote 3 to subpart A, part 8, schedule 7, of the TSUS, do proclaim that

(1) the tariff-rate quotas for TSUS items 750.26 and 750.29 are modified by deleting the quantities 91,885 and 161,540 from the respective article descriptions and substituting in lieu thereof 61,655 and 121,478, respectively; and that

(2) the modifications made by this Proclamation shall be effective as to articles entered, or withdrawn from warehouse for consumption, on or after the third day following publication of this Proclamation in the *Federal Register.*

In Witness Whereof, I have hereunto set

my hand this 10th day of November, in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 11:15 a.m., November 12, 1982*]

Note: The text of the proclamation was released by the Office of the Press Secretary on November 11.

Remarks on Presenting the Presidential Citizens Medal to Raymond Weeks at a Veterans Day Ceremony

November 11, 1982

The President. Good morning, and welcome to the White House. This morning we're honoring an American patriot, Raymond Weeks, of Birmingham, Alabama.

For more than 50 years, Mr. Weeks has exemplified the finest traditions of American voluntarism by his unselfish service to his country. As director of the National Veterans Day Celebration in Birmingham for the past 36 years, Raymond Weeks, a World War II veteran himself, has devoted his life to serving others, his community, the American veteran, and his nation. He was the driving force behind the congressional action which in 1954 established this special holiday as a day to honor all American veterans.

It's a pleasure for me to present Mr. Weeks the Presidential Citizens Medal, given to those who have made outstanding contributions to their country. And, Mr. Weeks, in honoring you, we honor the ideals that we hope to live up to. Your country is mighty grateful for what you've done.

Mrs. Weeks, I'm going to hand you the case, because I can't do this with one hand. [*Laughter*]

[*At this point, the President pinned the medal on Mr. Weeks.*]

Mr. Weeks. Thank you, Mr. President. Thank you on behalf of the combined veterans associations—[*applause*]——

The President. Ray, thank you so very much. Please sit down here.

It is fitting that we pay tribute to Mr. Weeks on this day when we remember the sacrifices of those who donned this country's uniform and did their part to protect our freedom and independence. Words alone cannot express our gratitude to the brave men and women who took on the task of protecting our country from foreign threats and aggression.

President Coolidge once said, "The Nation which forgets its defenders will be itself forgotten." Nothing is more important to the soul of America than remembering and honoring those who gave of themselves so that we might enjoy the fruits of peace and liberty. And that is the spirit of this special day and of this coming Saturday, when the Nation will dedicate the Vietnam Veterans Memorial, a tribute that is long overdue.

For too long, America closed its heart to those who served us with valor. It's time that Vietnam veterans take their rightful place in our history along with other American heroes who put their lives on the line for their country. Certainly, mistakes were made. But the reality of Vietnam today—massive prisoner camps for torture and political indoctrination, hundreds of thousands of boat people sacrificing everything and risking a painful death to flee Communist oppression—all this suggests that the cause for which our Vietnam veterans fought was an honorable one.

This Saturday, America will put behind us the ingratitude and injustice of the past. We'll move forward in the spirit of Abraham Lincoln, who in 1865 said: "Let us strive on to finish the work we are in, to bind up the nation's wounds, to care for him who shall have borne the battle and for

his widow and his orphan, to do all which may achieve and cherish a just and lasting peace among ourselves and with all nations."

And although we'll be putting the divisiveness of Vietnam behind us, we will not forget those who are still unaccounted for. Today I renew my pledge to the families of those listed as missing in action that this nation will work unceasingly until a full accounting is made. It's our sacred duty, and we will never forget them.

Along with Raymond Weeks, I may be one of the few people in this room who remembers when Veterans Day was called Armistice Day, commemorating the armistice that ended the First World War on the 11th hour of the 11th day of the 11th month of the year in 1918. And I might add, I not only remember when it was called that day, I guess we may be the only ones that were on the streets in the wild celebration of the first and actual Armistice Day when it was signed.

Armistice Day honored those who gave their lives in "the war to end all wars"—a day of hope that they had not given their lives in vain. But within a few years, and in spite of an impressive effort on the part of the Western democracies to limit arms and to outlaw war, aggressors rearmed and war came again. Ironically, Armistice Day was made a legal holiday in the United States in 1938, just 1 year before a second and more terrible conflagration swept across Europe.

Winston Churchill labeled it the "unnecessary war," because he said there never was a war more easy to stop. And no man had more right to say that than Winston Churchill. He had fought the illusions that led to war, pleaded with his countrymen to recognize and arm against this expanding totalitarian war machine, pleaded with his countrymen to be strong and to have courage—not because he wanted war, but because this was the only way to preserve peace. Yet, for all this, Churchill was castigated as a warmonger.

Even after war broke out in Asia and in Europe, our own country was slow to take the steps necessary to defend itself. Warning us of the impending crisis, a young Harvard student, John Fitzgerald Kennedy, wrote a book titled "Why England Slept." His thoughtful study holds as true now, 42 years later, as when it was first published. After describing how a dictatorship with a controlled press and the power to silence political opposition can carry on a vigorous arms program, he noted, "In contrast, in a democracy, the cry of warmonger would discourage any politician who advocates a vigorous arms policy. This leaves armaments with few supporters. Among the reasons for England's failure to rearm in time," Kennedy wrote, "probably the most important was a firm and widely held conviction that armaments were one of the primary causes of war." Well, the Western democracies didn't wake up till it was too late. It took Pearl Harbor to shake Americans from their complacency.

Today, in this era of much more dangerous weapons, it is even more important to remember that vigilance, not complacency, is the key to peace. This administration is committed to rebuilding our national defenses, which were permitted to erode during the last decade. We're now in the initial phases of that rebuilding, and we must continue to press forward in the years to come if we're to maintain a credible deterrent.

But let the world understand: Our purpose is not belligerency, but respect; not conflict, but deterrence; and not war, but peace. None of the wars that I have mentioned, or others before them, ever came about because this country was too strong. We shall never flag in our pursuit of a more peaceful world.

Our goal is peace—peace that's achieved through a stable balance of forces, a mutual reduction of weapons, and a better understanding between the Soviet Union, the United States, and all nations.

Earlier today, we received word of the death of Soviet President Brezhnev. And I want to read to you, if I might, the letter that I have sent this morning to Vasiliy Kuznetsov, First Deputy Chairman of the Presidium in Moscow.

[*At this point, the President read the letter, which is printed as the next item.*]

Now, I've said for many years there are fundamental differences between the Soviet

system and our own system here in the United States. But I believe our peoples, for all our differences, share a desire and a dedication to peace. On this day, dedicated to American veterans, we honor the brave men and women who have by their service preserved our liberty. Our parades are a celebration of freedom. Our banner is Old Glory, and we hold her high and proud. This is the legacy of the brave men and women that we honor today.

So let us go forth from here, having learned the lessons of history, confident in the strength of our system, and anxious to pursue every avenue toward peace. And on this Veterans Day, we will remember and be firm in our commitment to peace, and those who died in defense of our freedom will not have died in vain.

And, again, we thank the man who has made Armistice Day into this Veterans Day—Raymond Weeks. And thank you all for being here.

Note: The President spoke at 10:01 a.m. in the State Dining Room at the White House. The ceremony was attended by representatives of veterans organizations and administration officials.

Letter to Vasiliy V. Kuznetsov, First Deputy Chairman of the Presidium of the Supreme Soviet of the U.S.S.R., on the Death of President Leonid I. Brezhnev

November 11, 1982

Please accept my condolences on the death of President Leonid Il'ich Brezhnev. President Brezhnev was one of the world's most important figures for nearly two decades. May I ask you to convey our sympathies to the President's family.

I would also like to convey through you to the Soviet Government and people the strong desire of the United States to work toward an improved relationship with the Soviet Union. I look forward to conducting relations with the new leadership in the Soviet Union with the aim of expanding the areas where our two nations can cooperate to mutual advantage.

Sincerely,

RONALD REAGAN

Note: As printed above, this item follows the text of the President's letter as released by the Office of the Press Secretary.

Statement by Deputy Press Secretary Speakes on the Death of President Leonid I. Brezhnev of the Soviet Union

November 11, 1982

The President is expressing his personal condolences to Mr. Kuznetsov, First Deputy Chairman of the Presidium of the Supreme Soviet of the U.S.S.R., on the death of Soviet President Brezhnev. A high-level delegation will represent the United States at the memorial ceremonies in Moscow.

As leader of the Soviet Union for nearly two decades, President Brezhnev was one of the world's most important figures. President Brezhnev played a very significant role in the shaping of U.S.-Soviet relations during his Presidency.

President Reagan in conveying to the Soviet Government the strong desire of the United States to continue to work for an improved relationship with the Soviet Union and to maintain an active dialog be-

tween our societies on all important issues. The President looks forward to a constructive relationship with the new leadership of the Soviet Union.

Remarks by Telephone to *Columbia* Astronauts During the First Commercial Operations Mission of the Space Shuttle
November 11, 1982

The President. Hello.

Astronaut Brand. Hello, Mr. President.

The President. Yes.

Astronaut Brand. Columbia.

The President. Yes, who is this? Vance?

Astronaut Brand. Yes, sir. All four of us are standing by here, having a good time up here, sir, getting ready for a deployment.

The President. Well now, wait till I get my hat, and I'll go with you. [*Laughter*]

Listen, I just want to tell you, Vance Brand and Robert Overmyer, William Lenoir and Joseph Allen, how proud we all are of what you're doing and how much our prayers are with you for success and how everyone down here is watching and how pleased we were with the beautiful sendoff this morning.

You know, some time ago I had an opportunity to speak to some astronauts who were up there in one of the earlier flights of *Columbia*, and I asked them if when they came over Washington on their last go-round they'd pick me up and drop me off in California with them. And I'll repeat the request. They didn't do it. [*Laughter*]

But seriously, we are very proud of you, and you know how much all of us here, down below, are rooting for you up there. All of America is watching you.

Astronaut Brand. Well, thank you very much, sir. It's a beautiful world that we're going over—currently over the Atlantic—and we're very proud to be up here representing America.

The President. Well, we're proud of you. And we're going to try down here to keep that world as beautiful as it is to you looking at it from up there.

Sometimes I wonder—just seeing some of the results of your flights, the pictures and all—I wonder if more of us could see it from that angle we might realize that there must be a way to make it as united in reality here on Earth as it looks from outer space.

Over.

Astronaut Brand. Yes, sir. we're in total agreement on that one.

The President. All right. Well, God bless you, and best wishes to all of you. And again, congratulations.

Over.

Astronaut Brand. Okay.

The President. Over and out. Goodby.

Note: The President spoke at 10:56 a.m. from the Oval Office at the White House to the 4-man crew.

Following their conversation with the President, the astronauts released a communications satellite from the space shuttle into space. Plans called for the deployment of a second satellite the following day.

Remarks to Reporters Announcing the Appointment of Ambassador Philip C. Habib as the President's Special Representative for the Middle East
November 11, 1982

The President. I'll be answering your questions tonight, of course. But I want you to know here that I've asked Ambassador Habib to be my representative in the

Middle East and take charge there. Ambassadors Fairbanks and Draper will continue to serve under him as we continue on the Middle East policy. And he's going to be in charge of that as well as the continued pursuit of overall peace in the Middle East and—as well as stabilizing the situation in Lebanon, and he has agreed to do that.

Q. Is it because everything is stalemated there that they need the big man to go back?

The President. Well, let's just say it's always worked better when he's there.

Ambassador Habib. The President asked me to take a few questions in the other room——

Q. Where specifically will Mr. Habib return? Where specifically will Mr. Habib go to?

Ambassador Habib. I'm going to take your questions in the next room, so why don't I take care of it that way?

Note: The President spoke at 1:31 p.m. in the Oval Office at the White House following a meeting with Ambassador Habib, Secretary of State George P. Shultz, Assistant to the President for National Security Affairs William P. Clark, and other administration officials.

On the same day, the Office of the Press Secretary released the following information:

The President today appointed Ambassador Philip C. Habib as his Special Representative for the Middle East. Ambassador Habib will assume responsibility for the President's Middle East peace initiative. He will be assisted in this task by Ambassador Richard Fairbanks. Also in this capacity, Ambassador Habib will retain responsibility for coordinating the United States role in the negotiations concerning Lebanon, now being carried out by Ambassador Morris Draper.

Memorandum on the Chicago World's Fair 1992: Age of Discovery
November 11, 1982

Memorandum for the Secretary of State

Subject: Chicago World's Fair 1992: Age of Discovery

In accordance with Public Law 91-269, I have approved the recommendation for Federal recognition of the "Chicago World's Fair 1992: Age of Discovery", finding that such recognition will be in the national interest.

Accordingly, I am requesting you to instruct the United States delegate to the Bureau of International Expositions to notify the Bureau of my actions.

RONALD REAGAN

Memorandum on the Chicago World's Fair 1992: Age of Discovery
November 11, 1982

Memorandum for the Secretary of Commerce

Subject: Chicago World's Fair 1992: Age of Discovery

I have reviewed the reports and recommendations presented to me by you and the Secretary of State that recognition be given to the "Chicago World's Fair 1992: Age of Discovery", and find that such recognition will be in the national interest.

I approve granting Federal recognition to the Exposition with the understanding that the Federal participation in the Fair will not exceed $90 million over the next ten year period.

On that basis, please advise the appropriate agencies that official recognition is

hereby granted.

I would also appreciate your taking the appropriate steps to notify the Congress of this action, in accordance with Section 2(c) of P.L. 91-269.

RONALD REAGAN

The President's News Conference
November 11, 1982

Opening Statement

The President. Before taking your questions, I want to share with you just briefly my reflections on the important events that we've witnessed today.

From Moscow, we've learned of the death of President Brezhnev, a man who played a major role in world affairs for more than two decades. Here in the White House, I met with Phil Habib[1] about our plans to help bring peace to the Middle East, where the opportunity for progress has been fundamentally improved by recent developments in that region. And also today, the space shuttle was successfully launched. Once again, we will expand mankind's opportunities for enriching the human experience through peaceful exploration of the universe.

Those events could have a critical impact on our future—a future we face with confidence and resolve. If there is a lesson for us, it is that we, as a free people, must always be prepared for change, so that when it comes we're ready to meet new challenges and opportunities. Our system of government is unique and best able to adapt to change and move forward without disruption or break in continuity of purpose.

I want to underscore my intention to continue working to improve our relationship with the Soviet Union. Our two nations bear a tremendous responsibility for peace in a dangerous time—a responsibility that we don't take lightly. Earlier this year, we put forth serious and far-reaching proposals to reduce the levels of nuclear and conventional forces. I want to reconfirm that we will continue to pursue every avenue for progress in this effort. But we shouldn't delude ourselves. Peace is a product of strength, not of weakness—of facing reality and not believing in false hopes.

Today we honor American veterans—men and women who, by their courage and dedication, protected our freedom and independence. In the wake of events in the Soviet Union, we remain hopeful for a better relation. Conscious of our national interest and determined to remain a free people, I can think of no better day than Veterans Day to rededicate ourselves to peace and to do those things necessary to maintain the peace and to preserve our freedom.

Now, Jim [James R. Gerstenzang, Associated Press], I believe you——

Death of Soviet President Brezhnev

Q. Mr. President, who will be leading the U.S. delegation to Leonid Brezhnev's funeral? If you won't be going, how come? And also, aside from your personal hopes for peace, do you have reason to believe that the next coming months might see the new Soviet leadership flexing its muscle a bit and a period of increased tension coming about?

The President. Well, answering the last part first, no, I don't anticipate that as they make this transition. And we certainly can hope that there won't be anything of the kind.

But with regard to the service, we've had no direct, official word yet on anything about the service, although we are in communication directly with them. And it was just a plain case of looking at schedules and my own schedule calling for visits here by a head of state next week, and it was felt that it would be better for George to head that

[1] *The President's Special Representative for the Middle East.*

delegation. But it will be an appropriate and a very distinguished delegation.

Q. So, it will be the Vice President who will be——

The President. That what?

Q. It will be the Vice President, then, who will be heading the delegation.

The President. This is what we're considering now. No final decisions have been made, because, as I say, we're waiting to hear some word about the services.[2]

Q. If there is a period of tension, how would you respond?

The President. Well, we've had periods of tension before. And I think you just—you can't guess that in advance or what the answer would be, except that I think we must remember that our goal is and will remain a search for peace, and we would try to find the best way to achieve that. And, incidentally, I believe that we can continue that search without my attendance at the services.

Helen [Helen Thomas, United Press International]?

Gasoline Tax; Unemployment

Q. Mr. President, at your last news conference you said it would take a palace coup for you to approve a five-cent-a-gallon increase in gasoline—build highways and create jobs. Have you changed your mind? And I'd like to follow up, if I may.

The President. Well, Helen, I don't think that I said it with reference to that. I said that on a general subject of tax increases, as such, it would take a palace coup.

Q. It was specifically—[*inaudible*].

The President. But on the thing that we're talking about, this particular subject is under discussion. But it was under discussion a year ago, and at that time I asked the Department of Transportation, Drew Lewis, the Secretary, to hold off certainly for another year because of the economic problems that we face.

I don't view this proposal as, let's say, a job-creating program, although, obviously, there would be jobs created by going forward with that effort. But what we're talking about here is, also—and we have used the term to try and make people understand what it would be—that if we do it, it would be a user fee. It would be dedicated to the rebuilding of our highways and bridges. This a problem that must be met sooner or later. I wish the economy were such that we didn't have to worry about it at all.

But it is still under discussion. No decision has been made. And if it is put into effect, it isn't anything that would in any way reduce the incentive features of our tax cuts, because the average individual's tax would only—for that purpose—would only go up about $30 a year.

Q. It sounds like you're leaning toward it. And while I'm on the subject, Mr. President, with 11.6 million people out of work, would you be willing to have some cutbacks in defense spending to help these people who are out of work?

The President. Well, Helen, we're doing a number of things to help the people that are out of work.

It is true that there are other voices that are being raised in the Congress who are suggesting that the answer is to go back to things that have been tried before in previous recessions, namely make-work job programs with the Government taking billions of dollars out of the private sector to spend on these projects. And no one has ever noticed or looked to see how many people might have lost employment over here because of the transfer of funds to those Government projects.

The truth is that over a 7-year period, which includes 1981, a year in which that budget was not ours—we inherited that—but through 1981 the Government has spent $66 billion on the kind of job programs that some of them are talking about now on the Hill. And that $66 billion got us nothing but an increase in unemployment. It did not resolve the problem. We can't resolve the problem and really do what is right for the unemployed unless we make the economy sound, expand the economy, and thus create the jobs that we must have.

One of our problems, if I may just point

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[2] *On November 12 the White House announced that the delegation would consist of the Vice President, Secretary of State George P. Shultz, and U.S. Ambassador to the Soviet Union Arthur A. Hartman.*

out—and then I'll quit lecturing—one of the problems is that 3 million of the unemployed are the result of that many new entrants into the work force over the last 2 years. And because of the stagnant economy, we did not create the 3 million new jobs for those new entrants into the work force. And this has got to be one of our great problems—is creating the jobs to keep up with that kind of expansion.

Well, Lesley [Lesley Stahl, CBS News], and then I'll——

U.S.-Soviet Relations

Q. Mr. President, the Polish Government announced that they're about to free Lech Walesa. And as you've mentioned, Mr. Brezhnev is dead, and a new Soviet leadership is coming into power. Is there any thought in your mind that this would be a good time for you to take some big step, even a symbolic step that would lead to the lessening of tensions between East and West? And are you thinking of taking any initiatives that would give the world a signal that you would like that to come about?

The President. We have been trying to do that in the area of quiet diplomacy, tried in the summit conference, tried in the NATO conference, of various things. We are prepared and ready—and they know that—about trying to have a better relation. But it's going to require some action, not just words. For 10 years détente was based on words from them and not any deeds to back those words up. And we need some action that they—it takes two to tango—that they want to tango also.

Q. But are you willing to take the first step at this stage, at this juncture?

The President. Well, there are some people that have said I took the first step with lifting the grain embargo. Have we gotten anything for it?

Unemployment

Q. After the last set of unemployment figures came out, your spokesmen said that there would be an improvement in the situation in the near future. Do you foresee the unemployment situation becoming worse before it gets better, or should we look for an improvement next month?

The President. The unemployment, as I've said so many times before and as we all know, is the last of the indicators that comes up as you're coming out of a recession, when you're in that period of transition. But also if you look back at history, you find that in that same period it is very volatile. It could possibly go up some more; it could go the other way or could stay level. It isn't a sound indicator to look at that and say, which way is the economy going?

But we believe that what we're doing is the only course that can stimulate the economy. And I think we've seen evidences of that in the marketplace. We have just received word that in September the applications for FHA home mortgages, single dwellings, has gone up to a point that is higher than it has been for the last several years—in the last 4, at least. The sale of homes in October of new homes, already built, was way above the normal level for the month of October. And you can find other things—automobile sales last month increased 3.9 percent.

So we think we're on the right course. But this doesn't mean that we don't do some of the things, such as our job-training program to try and solve that problem of the increasing people in the work force, which will train a million people a year; the program for export trading companies that we have passed. They estimate that for every billion dollars of exports that it's about 40,000 jobs in our country. We're pursuing that. We're still trying to get action—and we've been trying for about a year—on the enterprise zone proposals.

But we're doing those things that we think are proper. We're not going to go down the deadend street that just leaves us set up for another recession.

Yeah, Lou [Lou Cannon, Washington Post].

Defense Spending

Q. Mr. President, if I can return to the defense budget question, a number of Republicans, not just those who want to return to policies of the past, have suggested that in the spending cuts that are necessary in this next budget, that it would be good if

the Pentagon also participated in this. And some have even said that in the long run the defense budget would be better if the economy is healthier. Have you ruled out the possibility that you would modify in any way your call for an increased defense budget, maybe just for this 1 year, when the economy is not what you'd like it to be?

The President. Well, Lou, it isn't the kind of a budget that you can do it for just 1 year. There is weapons systems and so forth, are things that have to go on down the line. You don't just call up a supplier and get a delivery on what it is you want to buy, or call him and say, send it next month. And you've got to remember that a great share of the defense budget is for humanity. It is for the men and women in the Armed Forces, the pay scale that is now approaching some reasonable level.

But we're looking at everything, and we're not prepared to give any indications yet of what we're looking at. I would have to say that, yes, we're looking, if there are savings that can be made without delaying or setting back what we think is the improvement we must have if we're going to close that window of vulnerability that we inherited. We can't do that. The first and primary function of the Federal Government is the national security.

Chris [Chris Wallace, NBC News]?

Israel

Q. Mr. President, Israel continues to ignore your call for a freeze of settlements on the West Bank. How damaging is Israel's ignoring of that freeze to the peace process, and what are you prepared to do about it?

The President. Well, Prime Minister Begin is coming here, and I'm sure that he and I will have some talks on that, as well as other subjects. We do think that it is a hindrance to what we're trying to accomplish in the peace movement.

Obviously the solution to the Middle East must be what we outlined earlier, and that is to bring the Arab States and Arab leaders and the Israelis together at a negotiating table to resolve the differences between them. And that begins with them recognizing Israel's right to exist as a nation.

So, I am still optimistic, and that's why Phil Habib is going back there.

Now—wait——

Q. If I may follow up. Are you prepared to do more than just talk with Prime Minister Begin? Are you prepared to consider any sanctions to force a change in Israeli policy?

The President. Well, I don't think that it would be good diplomacy to be threatening or anything, and I don't believe that's necessary. I think that all of us realize that peace is the ultimate goal there.

Sam [Sam Donaldson, ABC News]?

Social Security

Q. Mr. President, your Social Security Commission is to report by the end of the year. But Senator Dole says that the Democrats ought to come forward with a program to repair the social security system before the Commission reports, or he fears the Democrats just won't support it. Now, do you support Senator Dole's call in that respect?

The President. Well, let me just say without whether I support it or not, I can understand the Senator doing that in view of the experience we've had with others laying back and then offering no proposal to solve a problem. If you will recall a little history, a year ago when we talked about the threat to social security solvency, they claimed there was no such threat. But we said at the time it could not get through July of 1983 without having its house put in order. They denied that. Now they are admitting it can't get through July of 1983.

Q. But, sir, what about my question? Do you support Senator Dole's call?

The President. I said that I wasn't going to comment as to whether I support it or not. I said I could understand why he would say that.

I do feel this. The answer to this problem is so serious, the solvency of social security, that it is time that those who have frightened the senior citizens of this country the way they have, quit frightening them, because I know of no one—and especially me—who is going to support any program for restoring fiscal solvency that reduces the checks below the level that the present beneficiaries are getting. And these people, poor people, have been frightened to death

by charges that there were some of us out there that were trying to take this away from them. And we're not.

Now, I don't want to get into whether we should do it or not, but what he is saying is what has to happen. It is time for the leadership of both of us, both sides of the aisle, to come together with the knowledge that we've got to sit down around a table and work out a solution to this problem.

Q. But, sir, excuse me, but if you don't want to answer my question, I understand, but may I try another one then? If you don't want to reduce the benefits, the only other way is to raise taxes or to remove from the rolls some number of people in the future who might otherwise be on it. What course do you prefer?

The President. Oh, Sam, there are a number of opportunities that go back that—and a long way and that can go back to people that are presently paying in and are a long way from collecting. There are a number of opportunities.

As for taxes on social security, I think it's time the American people knew that for the next 8 years, beginning in 1983, there is going to be a tax increase every year in social security tax. Five of the 8 years, it will simply be for part of the wage earners, because their tax increase will come from the increase in the amount of salary or wage that is being taxed. But 3 of those 8 years will also be in addition to that—an increase in the rates.

I don't think that there's very much more room. More people working for a living today are paying a higher social security tax than they are income tax—more people than there are the other way.

Kathy [Kathy Lewis, Houston Post]?

Gasoline Tax

Q. Mr. President, back on the gasoline tax. Secretary Lewis briefed you yesterday. Can you at least tell us what you see as some of the pros and cons of that proposal—particularly the mass transit aspect? And can you make it equitable for all States, or will some States bear an unfair burden of that tax?

The President. Well, again, as I indicated earlier, you'll have to wait on that one, because that one was just presented yesterday. No decision has been made. It is under consultation and deep thought by all of us, and we are faced with the need, both at the local and State level and for our own interstate—the Federal highway system. And the program that has been proposed deals with both those problems.

But you'll just have to wait and see if we make a—what decision we make.

Joe [Joseph H. Ewalt, RKO Radio Network]?

U.S.-Soviet Relations

Q. Sir, you like to describe yourself as an optimist, a man who sees opportunities instead of problems. And in that light I'd like to hear what you think are the opportunities that the United States now has with the death of President Brezhnev?

The President. Well, I don't think that the death of President Brezhnev is a factor in this—of what opportunities we might have.

I have felt for a long time that we have an opportunity, because while the entire world, including the Soviet Union and ourselves, is involved in a deep recession and deep economic problems—all of us—it would seem to me that out of those troubles, that might be a time where, in a cooperative sense, we could find out that we'll all be far better off if we decide to get along with each other, instead of one pursuing an aggressive policy and the other one resisting that and so forth.

So, I am optimistic that—and would have been without his death today—continue to be optimistic that we can get together.

Yes, Bob?

Q. Mr. President——

The President. No—Bob Ellison [Sheridan Broadcasting].

Employment Programs

Q. Mr. President, in view of your earlier statements about jobs and employment, will you firmly oppose the jobs bills coming down from Capitol Hill, or are there certain guidelines or criteria under which you will support them?

The President. The guideline and criteria for anything that is proposed is going to be, does it further or does it delay the improvement of the economy?

Now, nothing has come down from the Hill. There's only been talk that you have repeated on the air or that you've written in the press about what they're talking about up there.

I will say that several proposals I've heard sound exactly like the kind of job programs that I was criticizing a little while ago, in which they're simply going to take billions of dollars for the creation of temporary work without realizing that that would be a drag on the economy and would slow down our effort to really restore legitimate employment.

Now, Bob Kittle [U.S. News & World Report].

Nuclear Arms Freeze Initiatives

Q. Mr. President, you've said recently that you believe a number of sincere Americans who support a nuclear arms freeze are being manipulated by those who want the weakening of America. Could you elaborate on this for us? Do you have any evidence of foreign involvement in the U.S. peace movement?

The President. Yes, there is plenty of evidence. It's even been published by some of your fraternity. There was no question but that the Soviet Union saw an advantage in a peace movement built around the idea of a nuclear freeze, since they are out ahead. And I want to emphasize again that the overwhelming majority of the people involved in that, I am sure, are sincere and well intentioned and, as a matter of fact, are saying the same thing I'm saying. And that is, we must have a reduction of those nuclear weapons, and that's what we're trying to negotiate now in Geneva. But to put the freeze first and then believe that we have not weakened our case for getting a reduction, when the other side is so far ahead, doesn't make sense.

But, yes, there has been in the organization of some of the big demonstrations, the one in New York and so forth, there is no question about foreign agents that were sent to help instigate and help create and keep such a movement going.

Q. Is that the extent of the involvement as you know it, or has there been money involved, or are there other ways that the Soviet involvement has manifested itself?

The President. I can't go beyond what I've done, because I don't discuss intelligence matters, and that's what I would be getting into.

Now——

Weapons Programs

Q. Mr. President, evidence mounts that key weapons in your $400 billion weapons procurement buildup are in trouble. Navy testers say that the F-18, on which you'd spend 40 billion, is too heavy for its major mission. Your closest military science adviser says the latest basing plan for the MX won't fool the Soviets. The Pershing missile, on which NATO defense would depend, literally can't get off the ground. The antitank weapon the Army wants to buy seems to be ineffective against modern Soviet tanks. The Maverick missile can't find its targets. [*Laughter*]

I wonder whether in light of all these failures you have any reason to wonder whether a $400 billion arms buildup is money well spent.

The President. Well, it isn't 400 billion in any single year that I know of. That's exaggerating. I've read also the same articles, also, and having access to information closer to the source, I don't believe those things about the weaponry.

Obviously in any new weapon system there are problems and there are bugs that have to be worked out. But I have faith in our technology and the level of that technology, and I know that we have been markedly increasing our defensive capability with what we're doing. And as I say, some of my sources I can't reveal.

Arms Control Initiatives

Q. Mr. President, as you may recall, last June in Berlin you talked about the danger of accidental nuclear war and put forward the idea that this might be a new initiative that the administration could consider in the arms control field. I wonder whether in your planning for next year you have some arms control initiatives in the works.

The President. Well, all of the these things are in the works, and that's why we have three teams negotiating—one on the matter of conventional arms, one on the

matter of strategic missiles, and the other on the matter of the INF [Intermediate-range Nuclear Force], the zero option that I announced a year ago. But I tell you what I'd rather ask you to do and wait for is in the very near future I am going to be speaking in a major address on that entire subject.

Jerry [Gerald M. Boyd, St. Louis Post-Dispatch]?

U.S. Forces in Lebanon

Q. Yes, sir. Thank you, Mr. President. You said in September that you could not determine how long American marines would remain in Lebanon. But since that was 6 weeks ago, don't you think it's time to give the American public an indication of how long they'll be there?

The President. Jerry. I wish I could. This is one of the reasons why Phil Habib is going back over there, take charge of what's going on.

The plan as proposed is one that requires, of course, the ability of the new administration in Lebanon to stabilize and to be able to take charge of its own borders. This calls for, as quickly as possible, also, the removal of all foreign forces from that soil. And that's why our multinational force is there.

I can't give you a close-out date on that. But I can tell you that we're trying to push as fast as we can on the two things that must happen. And that is the ability of the Lebanese Government to heal the wounds and bring their people together and have control. But also it hinges on getting the three foreign factions—the PLO, the Syrians, and the Israelis—out of Lebanon. And we are pushing on that as fast as we can.

Q. As a followup——

The President. Yes.

Q. If I could follow that, is there any reason to believe the troops might be home for Christmas?

The President. I just can't speculate on that. I can't tell you. But I do know this: We think our plan is working. Whether it's working as fast as we'd like or not remains to be seen.

But I think the important thing is that that force, that multinational force is there in the name of helping bring about peace. And I think the most important thing is to see that that job is done, and I believe they understand that.

Israel

Q. Mr. President, I'd like to try it again on Israel and possible sanctions. Is it possible that the United States might cut back on aid to Israel in direct proportion to the cost to that country of establishing new settlements on the West Bank, all this as a means of achieving the freeze that you're seeking?

The President. To answer that question one way or the other, I don't think would be helpful in the situation that we're in today, where we have made so much progress with the Arab States, the unusual, the unique thing of the representatives of the Arab League being here to meet with me as they were just some days ago; the need now for Israel to itself recognize that they too must play a part in making it possible for negotiations; the part that must be played and recognized and that one of President Gemayel's problems now is reconciling Muslim groups within his own country. I don't think to start talking about whether I should or should not make threats of some kind or other is going to be fruitful at all.

Q. [*Inaudible*]—got a request here for some factual information. Is it true that the Begin government now is spending about a hundred million dollars a year to subsidize settlements on the West Bank?

The President. I don't know that figure. I imagine I could find that out very easily. Yes.

Thanksgiving

Q. Mr. President, in 2 weeks the United States will celebrate Thanksgiving. Given the passing of Brezhnev, inevitably there are comparisons between the two systems. Could you take just a minute to tell Americans why at this time they especially should be thankful for their blessings and give a comparison of the two systems?

The President. Yes, because I think the comparison is so obvious, and you don't even have to use our own country. Turn to some of the newer and the developing countries, and those that have chosen our

way—the free way, free trade, democracy—are so far ahead in standard of living and the happiness of their people than the others that have chosen the other, the controlled, the authoritarian way—and I think here is—Lincoln said it then, and it's truer even today, this is the last best hope of man on Earth.

We are freer than any other people; we have achieved more than any other people. And if you looked around this room—I thought the other day, when we had all those representatives from all over the world, all of those representatives in this room, who were here to look at our election, to learn how they could spread the word about that kind of freedom in their own countries and in other countries on the other continents, I thought that we could have a meeting of Americans in this room, and the ethnic heritage of the Americans in this room would be as diverse, and there would be as many represented as there were in those hundreds of people who have come from foreign lands here today. And here we all live together proudly as Americans, in spite of that difference in birth. There just isn't any comparison with what we have and what we have to be thankful for.

Yes, Ralph—no.

Administrator of Veterans Affairs

Q. On this Veterans Day, will you tell us if you are going to name Harry Walters as the new Veterans Administrator? Second, if you are, what has delayed the announcement? And third, did your staff mess up in obtaining the necessary congressional clearance on the nomination?

The President. [*Laughing*] I don't think we messed up on anything at all. But I am not prepared to announce who is going to be the designee at this time. That will be announced properly in the proper time.

Now, Ralph [Ralph Harris, Reuters], because I did call on you.

Soviet Pipeline Sanctions

Q. Okay, sir. Mr. President, are you close to an agreement with West European countries on a East-West trade policy that will enable you to lift the sanctions on the Soviet natural gas pipeline?

The President. Well, we are in negotiations and have been for some time on the East-West matter with our allies. And we are, at last, making what I think is sizable progress.

I have nothing to announce as to any definition of that at the moment, but we've made progress. We started this long before there were sanctions. We started at Ottawa last year. We tried again in Europe in the two meetings there—in the summit meetings. We have continued. We had a team negotiating over there. We finally put the sanctions in effect. But we're discussing that relationship—or that arrangement with our partners without the sanctions playing any part in it.

Our decision on the sanctions will be based on when we feel they've served their purpose and when we feel that there could be a better situation without them.

Ms. Thomas. Thank you.

Note: The President's 14th news conference began at 8 p.m. in the East Room at the White House. It was broadcast live on nationwide radio and television.

Remarks on Signing the National Family Week Proclamation
November 12, 1982

Thank you very much, and good morning. Today I'm signing the National Family Week proclamation. This proclamation mandates that the new Congress and I will be one big happy family. [*Laughter*] I hope there's a place on that for Tip to sign. [*Laughter*]

No, the real purpose of National Family Week, which runs from November 21st to November 27th, 1982, is to recognize the central importance of the family in American life and to honor the most fundamental unit of our society, the unit that gives us a sense of belonging in life.

As President I've often talked of the need to reaffirm the faith and the principles that made America great, and the family is basic to our nation's inner spirit. The family is our school of conscience, of service, of democracy, of love, of all things that we as a people esteem and treasure. Our basic values determine how well our Republic holds together, whether it transmits to new generations sources of its inspiration and strength.

Someone once said there are only two lasting bequests that we can hope to give our children. One of them is roots, and the other is wings. Well, the family can help to provide to both—the security of roots, the inspiration of wings. And this administration has tried hard to encourage both.

Our goals are plain. Where families are threatened, we seek to lessen those threats. Where families lack opportunities, we seek to provide them. And as Thanksgiving nears and we count our blessings, the family should be held chief among them.

And speaking of blessings, Nancy is here. She's just accepted the honorary chairmanship of the first annual Great American Family Awards program, which will honor families across the Nation who are involved in their communities.

And now, before I talk on too long and National Family Week has come and gone, I think I'll sit down and sign the proclamation.

Note: The President spoke at 10:49 a.m. at the signing ceremony in the State Dining Room at the White House.

Proclamation 4999—National Family Week, 1982
November 12, 1982

By the President of the United States of America

A Proclamation

The family has always been the cornerstone of American society. Our families nurture, preserve and pass on to each succeeding generation the values we share and cherish, values that are the foundation for our freedoms. In the family we learn our first lessons of God and man, love and discipline, rights and responsibilities, human dignity and human frailty.

Our families give us daily examples of these lessons being put into practice. In raising and instructing our children; in providing personal and compassionate care for the elderly; in bringing the handicapped into the mainstream of community life; in maintaining the spiritual strength of religious commitment among our people—in these and other ways, America's families make immeasurable contributions to America's well-being.

Today, more than ever, it is essential that these contributions not be taken for granted and that each of us remember that the strength of our families is vital to the strength of our Nation. Recognizing that the family is a national heritage and resource, the Congress, by Senate Joint Resolution 190, has requested that the week of November 21 through 27, 1982, be designated as National Family Week.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim the week of November 21 through 27, 1982, as National Family Week. I applaud the countless mothers and fathers who have committed their lives to supporting families, whether by working in the marketplace to provide financial support or by working in the home to raise children. I also applaud those who, through adoption and foster care, have gone the extra mile to provide families for those who otherwise would have none.

I invite the Governors of the several States, the chief officials of local governments and all our citizens to observe this week with appropriate ceremonies and activities. During a week in which we will

also observe Thanksgiving Day, I especially invite all Americans to give thanks for the family relationships with which we have been blessed.

In Witness Whereof, I have hereunto set my hand this 12th day of Nov., in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 4:44 p.m., November 12, 1982*]

Nomination of C. Douglas Dillon To Be a Member of the National Council on the Arts

November 12, 1982

The President today announced his intention to nominate C. Douglas Dillon to be a member of the National Council on the Arts, National Foundation on the Arts and the Humanities, for a term expiring September 3, 1988. He would succeed Franklin J. Schaffner.

Mr. Dillon presently serves as chairman of the board of trustees of the Metropolitan Museum of Art. He is chairman of the United States and Foreign Securities Corp. and a Director of Dillon, Read & Co., Inc. He served as Secretary of the Treasury in 1961–1965; as Under Secretary of State in 1959–1961; Under Secretary for Economic Affairs in 1957–1959; and Ambassador to France in 1953–1957. He has served as vice chairman of the Council on Foreign Relations, chairman of the Rockefeller Foundation, president of the board of overseers of Harvard University, and chairman of the Brookings Institution.

He graduated from Harvard University (A.B., 1931). He has two children and resides in Far Hills, N.J. He was born August 21, 1909.

Appointment of Three Members of the National Armed Forces Museum Advisory Board

November 12, 1982

The President today announced his intention to appoint the following individuals to be members of the National Armed Forces Museum Advisory Board of the Smithsonian Institution for terms expiring April 9, 1988:

Harry W. Brooks, Jr., would succeed William I. Greener, Jr. He is executive vice president and chairman of the horticulture group of AMFAC, Inc. He served in the United States Army in 1947–1976, retiring as a major general. He has three children and resides in San Francisco, Calif. He was born May 17, 1928.

Mylio S. Kraja would succeed William H. Perkins, Jr. He is executive director of the American Legion's Washington office. He is a Navy veteran of World War II. He is married, has two children, and resides in Springfield, Va. He was born July 24, 1920.

George William Pirtle, Jr., would succeed James M. Stone, Sr. He is in the private practice of medicine in Euless, Tex. He served in the United States Air Force in 1955–1957. He is married, has seven children, and resides in Bedford, Tex. He was born August 29, 1929.

Remarks and a Question-and-Answer Session at a White House Reception for Participants in the Youth Volunteer Conference
November 12, 1982

The President. Well, thank you, and welcome to the White House. I can think of no one that I would rather visit here with than you.

Young Americans are already doing so much to make this country a better place to live. Seeing all of you here today certainly disproves the old army myth, "never volunteer." [*Laughter*]

I hope you feel comfortable here. This is your house as much as mine. It's our national home. This white mansion and the gleaming marble monuments that we have in the city here represent the ideals of generations of young people before you. If you're inspired by the great marble monuments of Washington and identify with the passion behind the inscriptions, well, that's as it should be. Those monuments, this city, and this country are dedicated to you in a belief that you'll reach for the stars and lift mankind to even greater heights.

Every generation sees farther than the previous generation because it stands on the shoulders of those who went before. Seeing you today and knowing of the energy and dedication you bring to the American volunteer spirit, I know our nation will only become stronger and greater when you are leading us.

Most of you are members of the national volunteer organizations, I understand, and I'm sure you understand the importance of helping others in these difficult times. But you may not be aware that volunteering is an old American tradition. We've always been a country of neighbors dependent on one another. A strong, cooperative community spirit is the heart and soul of our democracy and the key to our quality of life. Your efforts at this national youth volunteer meeting and the projects that you will tackle afterward have a great potential for enriching that American spirit.

I sat here at dinner one night, in one of the state dinners, and had someone from another country, which I won't name. I was talking about something to do with our voluntarism program bill, and this person said, "Well, yes, you can here in America." And I was kind of curious, and then what she was frankly admitting was that not in very many places in the world but this one do we have that spirit where we get together and do something voluntarily and have those kind of programs.

By improving the recruitment and recognition of youth volunteers, you could greatly increase their impact on community welfare. With better communication and cooperation, you could bring about even greater and more dramatic results. My challenge to you young people here today is to return to your hometowns with a special mission—initiate a collaborative program similar to the Washington, D.C., Youth Volunteer Fair and then keep me informed of how you do. If we can start those fairs in cities and towns across America, the momentum of youth building a better tomorrow will inspire all our citizens to join in the renewal.

There's an old Irish proverb that says, "Praise youth, and it will prosper." Well, my praise for you today comes from my heart, and I hope it will encourage you to work even harder for even greater goals.

Now, I hope that praise and recognition for all our young volunteers will be a byproduct of this meeting. But more than anything, I hope to encourage your ideals and dreams so they'll grow with you and America will prosper. And when we're congratulating our younger volunteers, we musn't forget the adults who have guided you and guided this young people project into an active leadership role.

Many of these exceptional adults are with us today, and they're pretty easily identified. [*Laughter*] But I would like to give special thanks to Frank Pace and Bill Bricker, the members of the Task Force on Private Sector Initiatives, who have devoted so much time and energy on behalf of you

young volunteers. And Bill Verity [1] tells me that voluntarism is being successfully promoted across the country from youth to senior citizens, and you're all proof of that. And to help tell the story to the policymakers, I understand the Private Sector Initiatives Task Force has produced a publication entitled "Volunteers—A Valuable Resource," which I look forward to reading.

Now, I know that many of you young people have written letters to me about your volunteer experiences, and the Task Force has shared some of those comments with me. I'd like to read a couple of them.

Karen Edwards, member of the Jamestown Girls Club in Jamestown, New York, wrote, "The satisfaction I receive from my volunteering far exceeds the amount of my weekly paycheck from my job at Super-Duper Markets. The satisfaction that I receive as a volunteer is simply seeing the joy in the girls' faces when I'm there for them to reach out to me."

And Sidney Ridley, member of the YMCA in Nashville, Tennessee, wrote, "Earlier this year I participated in the Love Run for multiple sclerosis, and I enjoyed doing this very much, because the idea behind this cause was so very close to me and my family because of my mother's illness. I ran 104 miles and was able to collect abcut $32 for this very worthy cause. Working with other underprivileged kids has been a most rewarding experience, and I feel that if I'm of any help to them, which I feel I am, I will have served to help my country and the world."

You know, I have to tell you just a little—and briefly as I can—a little, poignant story of the opposite way. And it made me think that maybe we ought to have billboards of this kind up all over the country. It was one of those nights in California in the storm season, and down at Newport Beach the homes along the beach there were being destroyed, washed away by the high tides and the waves that were breaking against them. And the TV stations from the community were down there getting this, and it was 2 o'clock in the morning. I was still watching TV, because they were getting this, and you were seeing damage that was being done, but you were seeing the volunteers working throughout the night to sandbag these homes and try to save them.

And at one point, 2 o'clock in the morning—and it gets cold in California at night—California's the only place in the world where you can fall asleep under a rosebush in full bloom and freeze to death—[*laughter*]—and this lad was still in his swimming trunks. And he was wet, and he was cold and had to be tired, and he was still lugging sandbags. And one of the commentators caught him, got him in front of the camera. Did he live in one of these houses? No, he didn't live there at the beach. And finally the question came, well, why, why was he doing this? And the answer was so poignant—and you've already found the answer and supplied it. He said, "Well"—he stopped for a second, "Well," he said, "I guess it's the first time any of us ever felt we were needed." Well, you are needed, and there's no limit to what you can do.

I thank you for coming here today, for lifting my spirits. And I'm sure my spirits will be lifted even more after I read the additional letters from the volunteers, which I understand you have for me today. I thank you for the work that you've done, the work that you're going to do. I wish you good luck, and God bless you.

And now I bet at one time in your life you've said, "If I could only ask him a question, I'd like to know . . . ." And I don't have too much time, because I understand we're going out there and I'm going to have a chance to meet each one of you individually. But, you have——

Q. Mr. President?

The President. What?

Q. Mr. President, on behalf of the Youth Volunteers, we're presenting you with letters and thoughts on the importance of voluntarism.

The President. Thank you very much. And I guarantee you—and people on my staff know this is true—I'll read them—every one. I thank you very much for this.

And now if we do for a few minutes have a little time and someone wants to ask a question—you do? Fire away.

Q. I'm Angela Williams from Nashville,

[1] *Chairman of the President's Task Force on Private Sector Initiatives.*

Tennessee, and in every respect follow your administration around from the previous ones that I've seen. And I just want to know how we as volunteers can carry out this dignity into America and enable it to spread?

The President. Now, carry out——

Q. Carry the dignity of your administration out and enable it to spread in our volunteer work?

The President. Well, I thank you very much for saying that we have a dignity to do that. [*Laughter*] But I think it is carrying on what you do, because that is one of the characteristics that I believe in and believe this country has and that we were in danger and have been in danger of losing, is drifting into a belief that, well, government would do it all, that we didn't need to do things voluntarily. And if you carry on with that, and as far as dignity's concerned, that goes with what we have the most of of any country in the world, it is the dignity of individual freedom, the dignity of the individual that he is supreme.

You know, I've read a lot of constitutions. I guess every country's got a constitution. I've read the Soviet Constitution. I don't think they have. But I have. [*Laughter*] And there's a difference. Maybe this isn't true of all of them. But let me just tell you one great difference that spells out just what you are talking about and which goes with the dignity of being free.

Almost all of the constitutions—or all of them that I've seen—of other countries say, here are the things that the government allows the people to do. And our Constitution says, we the people will allow the Government to do the following things. Our Constitution is our bill of particulars that says to the Government, these are the only things you can do. And if they aren't in here, you can't do them. And it's a very unique thing. And we should always remember it.

Someone else? Oh, there, and then I'll come back here.

Q. Mr. President, my name is Patrick O'Donnell. I'm a Red Cross volunteer from New York. I was wondering if you could give us just one message for all of us here to bring back to our communities to help us promote voluntarism—just one short, simple message.

The President. Oh, my. [*Laughter*] I was trying to do that in so many pages here. [*Laughter*]

Well, yes. It is that these volunteer efforts can do it so much more efficiently—the things that you're doing—so much more effectively than government can, that it isn't a case of waiting for government to do it. But take a look at the neighborhood, the community, the thing that needs doing, and then find out how you can enlist people to do this.

More than a hundred years ago, a Frenchman visited this country. And when he went home, he wrote to his fellow Frenchmen about what he had seen here. And he said that the thing that he noticed was—he said, "You know, in America someone sees a problem that needs solving. And they cross the street and talk to a neighbor about it. And the first thing you know, a committee is formed." And he said, "Finally, the problem is being solved." And he said, "You won't believe this. But not a single bureaucrat had anything to do with it." [*Laughter*]

You take that one home.

Yes, and then I'll come to you. Yes? I'll come straight across.

Q. My name is Orlando Vega. I'm from Denver, Colorado, with the Boys Clubs of Denver. And I was wondering—we've been talking about voluntarism and everything like this. But I want to know exactly what have you done in terms of volunteer work over your life. And I was wondering what exactly has it meant, personally, to you.

The President. Well, as far back as I go—[*laughter*]—it's a varied experience. And when I was in Hollywood and in the motion picture industry, I was an officer and a member of our guild, the Screen Actors Guild, for some 25 years and 6 times its president. And, unlike a lot of union officers, in our guild, you served for free. It was a volunteer effort.

But I've also, been connected with many of the worthwhile and the charitable efforts. And, frankly, I think, also, the job I've got right now is a kind of a volunteer job. [*Laughter*] But the reward for it—but then I was raised to believe in the principle of

tithing, and believe in giving of yourself, as well as whatever material resources you have. And I think it was summed up better than I can say it by a man who spent his entire life with the Salvation Army. He said, "Life begins when you begin to serve." And I think that I believe that, and believe it has for me.

Mr. Moorhead.[2] Mr. President, last question; and then we have to volunteer to take some pictures. [*Laughter*]

The President. Oh.

Q. Mr. President, I am Donnette Silva from the Future Business Leaders of America in Fresno, California. And I know that you have a lot of goals and dreams for our country. Is there one goal that we, as youth volunteers, can help you accomplish?

The President. Yes, and it is in this very overall thing. Oh, there are lots of goals and things that, I mean, are part of my job that we have to get done. We have to restore the economy. We've got to solve this tragic problem of the extensive unemployment in our land. But I think the real goal is summed up in getting back to the very thing that Bill Verity is heading up for us, as a volunteer himself, this private initiative thing, where we find all the areas that are out there and the things that can be done, and that don't call for a gigantic bureaucracy or a government program, because those, somehow—there isn't the heart in it, done that way, that there is when it is neighbor to neighbor. And to see America seek out and solve these problems for itself—if we could get back to that, I would feel that I had accomplished a great deal if we had that in our country.

We once had it. When I was your age and younger, growing up, the things that we heard about—when World War I ended, we went to the aid of the stricken countries, both enemies and friends. And a man named Hoover headed that commission up as a citizen volunteer, and it was a volunteer effort. We fed the hungry of the world. When the great earthquake destroyed Tokyo, again, it was America to the rescue, and it wasn't done by a government program. It was done by volunteers.

When I was a young man as a sports announcer in radio, just starting, I remember doing, I guess, what must have been the first—it wasn't a telethon then; it was a radiothon—all night at our radio station out in Iowa, because in Ohio the floods had done such damage. And we were raising money, and it was the volunteers who came in and a volunteer effort for restoring what had been done there.

The feeding of the hungry and the famines in India and other places in the world—again, it was the volunteers, and it was a volunteer movement that just sprung from the grassroots of America. We just assumed it was our obligation to move and do something for those others.

And if we could remember one thing: When World War II ended and it looked like maybe we could have been falling into another Dark Ages, Pope Pius XII in Rome said, "God has placed the fate of an afflicted mankind in the hands of America, and America is known and is capable of great and generous deeds." In fact, he said we had a genius for those deeds. Well, by this time we were beginning to do it kind of governmentwise with the Marshall plan and so forth.

But let's keep that spirit alive of what that lady told me here at that dinner, that we are the most generous people on Earth, and we must never lose that.

I know I've taken too much time. And I have to go down the hall, and then you're going to come down the hall, and we're going to have our pictures taken.

Thank you very much.

Note: The President spoke at 3 p.m. in the East Room at the White House.

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[2] *J. Upshur Moorhead, Special Assistant to the President and White House Coordinator for the President's Task Force on Private Sector Initiatives.*

Appointment of Brustuen H. Lien as a Member of the Commission on Presidential Scholars

November 12, 1982

The President today announced his intention to appoint Brustuen H. Lien to be a member of the Commission on Presidential Scholars. This is a new position.

Mr. Lien is board chairman of Pete Lien & Sons, Inc., and executive committee chairman of Lien Industries, Inc. He is also owner of KFML-Radio Denver Corp. He graduated from the University of Wyoming (B.S., 1953). He is married and resides in Rapid City, S. Dak. He was born April 7, 1927.

Radio Address to the Nation on East-West Trade Relations and the Soviet Pipeline Sanctions

November 13, 1982

My fellow Americans:

During the campaign 2 years ago, I spoke of the need for the United States to restore the balance in our relationship with the Soviet Union. For too many years we had stood still while the Soviets increased their military strength and expanded their influence from Afghanistan to Ethiopia and beyond. I expressed a belief, which you seemed to share, that it was time for the United States to chart a new course. Since then, we've embarked upon a buildup of our defense forces in order to strengthen our security and, in turn, to strengthen the prospects for peace. We still have a long way to go. But the fact that we've started on a new course has enabled us to propose the most comprehensive set of proposals for arms reduction and control in more than a quarter of a century. It's always been my belief that if the Soviets knew we were serious about maintaining our security, they might be more willing to negotiate seriously at the bargaining table.

In the near future, I will be speaking to you in more detail about this matter of arms control and, more importantly, arms reductions. But right now I have something in the nature of news I'd like to bring you.

The balance between the United States and the Soviet Union cannot be measured in weapons and bombers alone. To a large degree, the strength of each nation is also based on economic strength. Unfortunately, the West's economic relations with the U.S.S.R. have not always served the national security goals of the alliance.

The Soviet Union faces serious economic problems. But we—and I mean all of the nations of the free world—have helped the Soviets avoid some hard economic choices by providing preferential terms of trade, by allowing them to acquire militarily relevant technology, and by providing them a market for their energy resources, even though this creates an excessive dependence on them. By giving such preferential treatment, we've added to our own problems—creating a situation where we have to spend more money on our defense to keep up with Soviet capabilities which we helped create.

Since taking office, I have emphasized to our allies the importance of our economic as well as our political relationship with the Soviet Union. In July of 1981 at the economic summit meeting in Ottawa, Canada, I expressed to the heads of state of the other major Western countries and Japan my belief that we could not continue conducting business as we had. I suggested that we forge a new set of rules for economic relations with the Soviet Union which would put our security concerns foremost. I wasn't successful at that time in getting agreement on a common policy.

Then in December of 1981 the Polish

Government, at Soviet instigation, imposed martial law on the Polish people and outlawed the Solidarity union. This action showed graphically that our hopes for moderation in Soviet behavior were not likely to be fulfilled.

In response to that action, I imposed an embargo on selected oil and gas equipment to demonstrate our strong opposition to such actions and to penalize this sector of the Soviet economy which relies heavily on high technology, much of it from the United States. In June of this year I extended our embargo to include not only U.S. companies and their products but subsidiaries of U.S. companies abroad and on foreign licensees of U.S. companies.

Well, it's no secret that our allies didn't agree with this action. We stepped up our consultations with them in an effort to forge an enduring, realistic, and security-minded economic policy toward the Soviet Union. These consultations have gone on over a period of months.

Well, I'm pleased today to announce that the industrialized democracies have this morning reached substantial agreement on a plan of action. The understanding we've reached demonstrates that the Western alliance is fundamentally united and intends to give consideration to strategic issues when making decisions on trade with the U.S.S.R.

As a result, we have agreed not to engage in trade arrangements which contribute to the military or strategic advantage of the U.S.S.R. or serve to preferentially aid the heavily militarized Soviet economy. In putting these principles into practice, we will give priority attention to trade in high technology products, including those used in oil and gas production. We will also undertake an urgent study of Western energy alternatives, as well as the question of dependence on energy imports from the Soviet Union.

In addition, we've agreed on the following immediate actions. First, each partner has affirmed that no new contracts for the purchase of Soviet natural gas will be signed or approved during the course of our study of alternative Western sources of energy. Second, we and our partners will strengthen existing controls on the transfer of strategic items to the Soviet Union. Third, we will establish without delay procedures for monitoring financial relations with the Soviet Union and will work to harmonize our export credit policies.

The understanding we and our partners have reached and the actions we are taking reflect our mutual determination to overcome differences and strengthen our cohesion. I believe this new agreement is a victory for all the allies. It puts in place a much needed policy in the economic area to complement our policies in the security area.

As I mentioned a moment ago, the United States imposed sanctions against the Soviet Union in order to demonstrate that their policies of oppression would entail substantial costs. Well, now that we've achieved an agreement with our allies which provides for stronger and more effective measures, there is no further need for these sanctions, and I am lifting them today.

The process of restoring a proper balance in relations with the Soviet Union is not ended. It will take time to make up for the losses incurred in past years. But acting together, we and our allies are making major progress. And I'm happy to say the prospects for peace are brighter.

I have just returned to the White House from the Soviet Embassy, where I signed the book of condolence for President Brezhnev. New leaders are coming to power in the Soviet Union. If they act in a responsible fashion, they will meet a ready and positive response in the West.

Till next Saturday at this same time, goodby, and God bless you.

Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.

Question-and-Answer Session With Reporters on East-West Trade Relations and the Soviet Pipeline Sanctions
November 13, 1982

Q. Mr. President, haven't you caved in to the Europeans on the sanctions?

Q. Why today? Why are you announcing this today?

The President. Because it's as soon as we could do it after getting the agreement.

Q. Is it linked to the release of Walesa and the new government in the Soviet Union?

The President. No. As a matter of fact, this was talked of—doing it today—if we got the agreement.

Q. Do you think there's new hope for arms reductions now, sir?

The President. Well, to the extent that the alliance is probably in a better union and more united than it's ever been, yes. It's sure to add to that as well as other hopes.

Q. Haven't you caved in to the Europeans on these sanctions? They gave up pretty much nothing.

The President. Oh, no. Yes, they did.

Q. What did they give up?

The President. Let me just say that the agreement that we've reached is what we set out to get, and only turned to the sanctions when we were unable to get it. We had two different delegations in Europe over a year ago, and I tried again at the Versailles summit. But we have all come together on this, and it is so much more effective. The sanctions have served their purpose.

Q. Why no communique?

The President. What?

Q. Why no communique, a joint communique?

The President. That will be later.

Q. What kind of a signal do you think it's going to send to the new Soviet leadership? What would you say will be the signal?

The President. Well, I hope the signal will be that we're ready for a better relationship any time that they are.

Q. Thank you.

Note: The exchange began at 12:50 p.m. on the South Lawn of the White House as the President was preparing to depart on his trip to Chicago, Ill.

Remarks at the Welcoming Ceremony for Chancellor Helmut Kohl of the Federal Republic of Germany
November 15, 1982

The President. Chancellor Kohl and Mrs. Kohl, on behalf of the American people, Nancy and I are honored and delighted to welcome you to Washington.

Before my visit to the Federal Republic of Germany earlier this year, Chancellor Kohl, who had not yet attained the high office he now holds, helped organize several rallies. He wanted to let us know that we were welcome and to reassure all Americans of the sincere good will of the German people. Chancellor Kohl, I appreciated very much that magnificent gesture. I understand that in Bonn, where some 75,000 people attended the rally, one of the banners read, "Say Something Good About America." Well, today it certainly makes all Americans happy to repay this compliment, because there are many good things to say about you, Mr. Chancellor, about the German people, and about the strong bond that unites us.

A recent study has revealed that today more Americans trace their ancestry to your country than to any other nation. German immigrants provided the hard work and determination that settled much of the Midwest, taking rugged frontier land

like that in the Dakotas and reaping from it bountiful harvests that helped feed the world. In other industries, German energy and German ingenuity helped build the factories and firms that catapulted our standard of living and elevated the lot of the common man from a life of drudgery to new progress consistent with individual dignity and respect. But, as you are aware, Mr. Chancellor, it wasn't simply hard work that built America; it was freedom available here—freedom to which German immigrants greatly contributed.

One of the first precedents for freedom of press, for example, was established when Peter Zenger, a German immigrant, spoke out in his newspaper against the abuse of power by a public official. When the jury freed Zenger, they were laying freedom of press as a cornerstone of our democratic system.

In the middle of the 19th century, when turmoil was sweeping through Western Europe, we were the recipient of many political exiles who made significant contributions to American liberty. One of the most remarkable, Carl Schurz, was one of the original members of the Republican Party. Now, you see one reason why I personally am so grateful, Mr. Chancellor. [*Laughter*]

With us today to greet you is a group of young people from your country who are spending the autumn months living with American families in Virginia. They're part of our youth exchange project between our two countries, and these kinds of ties bode well for the future.

The future of both our nations depends so much on friendship and the values we share. In these uncertain times, when a power to the East has built a massive war machine far in excess of any legitimate defensive needs, the Western democracies must stand firmly together if our freedom and peace of the world are to be preserved.

The German people are on the frontlines of freedom. When I was in your country a few months ago, I told your citizens, "You are not alone. We're with you." Well, today, Mr. Chancellor, I can tell you we're happy that the German people are with us. The Western democracies, the future freedom of mankind, and the peace of the world would be far less secure if it were not so.

Your personal commitment and that of your government to the needs of our alliance are well appreciated here, as is the depth which you add to the meaning of our covenant. In truth, as you recently observed, we are not a military alliance. The community of arms, you said, is there to defend the community of ideas. The important point is that we have common ideas regarding human rights, civil rights, our moral values, our moral laws.

I look forward to our talks today, as I would expect that a meeting of the leaders of the two great nations whose interests are so intertwined, there are many vital issues to discuss. As all good friends do, we will disagree at times, but in free societies we're accustomed to differences and also to a peaceful resolution to achieve our common goals.

As we stand here today, I am confident that our shared interests, our common vision of the future, and our joint commitment to human freedom will overcome any differences between our countries. Our governments will work in the closest consultation, in a spirit of amity and straightforwardness.

We thank you for coming, and in the name of the people of the United States, *wilkommen.*

The Chancellor. Mr. President, Mrs. Reagan, ladies and gentlemen:

I thank you, Mr. President, most warmly for the very kind words of welcome and for the warmhearted reception we have been given here.

On the 7th of April, 1953, almost 30 years ago, the Chancellor of the Federal Republic of Germany stood here for the first time. And on that occasion, Konrad Adenauer said that we Germans are loyal partners on the road to freedom and peace, a road on which the United States is ahead of all other nations.

Mr. President, I want you and all citizens of the United States to know that these remarks by Chancellor Adenauer still hold true today and will do so in the future as well. The Federal Republic of Germany is and will remain a loyal partner of the United States of America.

Recent opinion polls have shown, once

more, that in the Federal Republic of Germany there is wide-based, firm confidence in the Atlantic partnership. And to all Americans, therefore, I say today, most emphatically, you can count on your German friends. The North Atlantic Alliance and our friendship with the United States are the foundation of our active policy for safeguarding peace in freedom.

The real strength of our alliance does not derive solely from the number of troops and weapons. Our alliance is strong because the citizens of 16 North American and European countries have a common goal. They are determined to safeguard the freedom, the common heritage, and civilization of their peoples, founded on the principles of democracy, individual liberty, and the rule of law. This goal is laid down in the preamble to the North Atlantic Treaty.

We must constantly remind ourselves and, in particular, our young fellow citizens of these foundations of our equal partnership and of our deep friendship, because our shared fundamental convictions are the key to unity. And from unity ensues the strength to attain our goals: to safeguard peace and freedom through firmness and the readiness for negotiation, to ensure economic and social stability, and to cooperate fairly and constructively with the countries of the Third World.

Despite domestic changes in our countries and changes of government, eight American Presidents and six German Chancellors have contributed towards German-American partnership. For us Germans, gratitude, too, is an element of our friendship with America.

My generation, my wife and I, know from our experience that after terrible war, when we were still children and pupils and students, the Americans saved us not only from hunger—we have not forgotten what the Hoover aid program and what the Quaker aid program and the CARE parcel gifts action meant for us at that time—the Americans helped us to build a free state. And our Constitution, especially the Catalog of Basic Rights, owes much to the American experience of democracy.

Today there are 245,000 American troops and their families in our country where they are welcome guests. These troops serve together with 500,000 members of the Bundeswehr and the forces of five other allied countries. What clearer proof could there be, Mr. President, that we are dependent on one another? The more than 50 million American citizens of German descent also constitute a strong bond of friendship between Germany and the United States. And I convey particularly warm regards to all of them today, on my first visit to Washington as Federal Chancellor.

Next year will mark the tricentennial of the first wave of German immigrants to America, and to mark this occasion, Germans and Americans intend to hold a big celebration together. We will recall our common origins and from this past draw strength, courage, and confidence for our common future.

Mr. President, let us make the forthcoming anniversary the start of a period of particularly close, intensive, and fruitful German-American cooperation. Let us start here and now. I'm looking forward to this cooperation.

Thank you very much.

Note: The President spoke at 11:06 a.m. on the South Lawn of the White House, where Chancellor Kohl was accorded a formal welcome with full military honors. Chancellor Kohl spoke in German, and his remarks were translated by an interpreter.

Appointment of Three Members of the Advisory Committee for Trade Negotiations
November 15, 1982

The President today announced his intention to appoint the following individuals to be members of the Advisory Committee for Trade Negotiations for a term of 2 years:

Robert B. Delano is president of the American Farm Bureau Federation in Park Ridge, Ill. He is married, has two children, and resides in Warsaw, Va. He was born July 8, 1924. This is a reappointment.

Loyd Hackler is president of the American Retail Federation in Washington, D.C. He is married, has three children, and resides in Kearneysville, W. Va. He was born March 23, 1926. This is a reappointment.

Louis (Woody) Jenkins is a member of the Louisiana House of Representatives. He is also executive director of the Council for National Policy in Baton Rouge, La. He is married, has three children, and resides in Baton Rouge. He was born January 3, 1947. He would succeed Elspeth Rostow.

Remarks of the President and Chancellor Helmut Kohl of the Federal Republic of Germany Following Their Meetings
November 15, 1982

The President. Chancellor Kohl and I have just concluded a series of conversations that covered a wide range of politics and security and economic issues of mutual interest to our countries. We agreed on—close consultations are necessary, as in the past, and we fully intend to stay in close touch.

I would like to take this opportunity to announce, as part of our initiative to increase contacts between the German and American peoples, a high-level commission for the United States and German tricentennial has been formed. And this group will coordinate the many activities celebrating the 300th anniversary of the arrival of the first German settlers in America at Germantown, Pennsylvania. And Chancellor Kohl and I have just met with several distinguished Americans, who are standing behind us now, who have agreed to help in this effort. We'll be closely following their progress.

In 1983 we will commemorate innumerable contributions made to American society by our fellow citizens of German descent, including our Secretary of State Shultz, whose forebears came from southwest Germany. Events to celebrate the anniversary are planned by many communities in both countries. The commission will represent me throughout the commemorative, and it will be chaired by the former national secretary of—and of our National Security Council, Richard Allen; Charles Wick, head of the United States Information Agency; Chief Justice Warren Burger; and other distinguished Americans who have agreed to play a part.

One of the high points of the celebration will take place in Philadelphia in October '83 at a gala banquet, which both President Carstens of the Federal Republic of Germany and I hope to attend. And the United States Congress is marking the occasion. The Senate has passed, and there is now before the House, a joint resolution proclaiming 1983 as German-American Tricentennial Year.

I'm sure that the commemoration of the deep and lasting friendship between our two countries will be a great success. And again, let me just say, it's been a great pleasure to welcome Chancellor Kohl here to our country again.

The Chancellor. Mr. President, I consider it to be a most happy coincidence that today, on my first visit to the United States as Federal Chancellor, President Reagan

has announced the appointment of a special commission on the tricentennial of German-American relations. What we will be commemorating together next year is not merely the immigration of 13 families from the German city of Krefeld. We will also be celebrating an intensive and fruitful relationship of give and take between Germany and America extending over three centuries.

You, Mr. President, have spoken of the Germans who have helped to build this great and free country. America, your country, has repaid that contribution many times over. I call to mind the catalog of human rights and freedoms embodied in your Bill of Rights. It served as a model for the first attempt to set up a free and democratic constitution in Germany in 1848 [1948]. In our present constitution, the basic law used that same catalog of fundamental rights as the foundation for our constitutional and legal system.

I recall that in the dark years of Germany's history, hundreds of thousands of Germans found refuge in America. I will mention only Carl Schurz, Walter Gropius, and Thomas Mann, and Albert Einstein, who represent so many more.

Following two great wars in which Germans and Americans were adversaries, we Germans came to experience the greatest virtue of the Americans—their generosity and their desire to help. In my remarks responding to your address of welcome, Mr. President, I referred to the fact that my generation remembers with gratitude the Hoover aid program and the CARE parcels, and without the Marshall plan, the speedy recovery of my country would not have been possible.

Today relations between our two countries are characterized by a wide variety of exchanges in the fields of culture, science, and research. Every German knows Ernest Hemingway, John Steinbeck, and Thornton Wilder. And young people in our country read Susan Sontag, to name only a few.

Mr. President, members of the Presidential commission, let us make the past an obligation for the future for ourselves and for the next generation of our children and their children. This is our responsibility in these days.

Thank you very much.

Note: The President spoke at 1:35 p.m. at the Diplomatic Entrance on the South Lawn of the White House. Chancellor Kohl spoke in German, and his remarks were translated by an interpreter.

Earlier in the day, the President and the Chancellor met in the Oval Office and attended a luncheon in the State Dining Room.

Joint Statement Following Discussions With Chancellor Helmut Kohl of the Federal Republic of Germany

November 15, 1982

During the visit of the Chancellor of the Federal Republic of Germany, Helmut Kohl, he and President Reagan held detailed talks in Washington on current political and economic issues on November 15, 1982. The Chancellor is also meeting with Secretary of State Shultz, Secretary of Defense Weinberger, Secretary of the Treasury Regan, high-ranking Administration officials, and leading members of the Senate.

The discussions attested to the depth and the breadth of German-American friendship. The United States and the Federal Republic of Germany are partners as well as friends, sharing common ideals, human and democratic values. In today's uncertain world, this commitment has become more important than ever. Our shared values form the unshakeable foundation for our joint efforts to maintain the freedom and prosperity of the Western world.

The discussions were based on a determination to work together as closely as possible to meet the challenges of the closing

decades of the twentieth century.

These challenges are as critical as those which faced the great statesmen who founded our partnership more than three decades ago. During the past thirty years the Atlantic partnership has been successful in guaranteeing to our peoples more freedom, security, and prosperity than at any time in history. The President and the Chancellor reaffirmed during their discussions their common view on the central role played by the Atlantic Alliance in the foreign policies of their respective governments.

A major reason for success of the Atlantic Alliance has been the close relationship which has developed between the United States and the Federal Republic of Germany. German-American ties are deeper than simple calculations of national interest.

After World War II and after the destruction caused by it in Germany, these ties originated from the generous humanitarian aid and the political support which the United States granted to the German people and their young democracy. German-American relations are based on a close affection among our two peoples and are supported by intimate personal and familial ties between Americans and Germans. Ours is a relationship based on mutual support and open discussion between equal partners.

During the discussions it was agreed that high level consultations between the United States and the Federal Republic of Germany will be continued during a visit to Bonn by Secretary of State Shultz in early December.

An example of the close ties between our two nations are the more than fifty million Americans of German descent. German Americans have provided major contributions to every aspect of American life and form one of the foundations of American society. The President and the Chancellor anticipated with pleasure the joint celebration in 1983 of the Tricentennial of German immigration to the United States. President Reagan announced today the formation of a Presidential commission to help prepare American commemoration of this important event. Chancellor Kohl described plans for celebrations in the Federal Republic of Germany. They stressed that the Tricentennial should be a joint celebration among the peoples of their two nations and reaffirmed the intention of President Reagan and President Carstens to meet in the United States in October, 1983, to highlight the American celebration.

The wider the understanding of the commonality of the issues facing the United States and the Federal Republic of Germany, the stronger our partnership will become. For this reason, President Reagan and Chancellor Kohl were pleased to reaffirm their support for the initiatives to broaden U.S.-German contacts and to set up a multilateral youth exchange among Western industrialized democracies. The purpose is to pass on to the younger generations in our nations the sense of partnership which the older generation feels so deeply.

The President and the Chancellor reaffirmed the Alliance's overall concept for successfully safeguarding peace in Europe as embodied in the declaration made by the heads of state and government of the Atlantic Alliance in Bonn on June 10, 1982. As stressed in that declaration, they agreed that in accordance with current NATO defense plans, and within the context of NATO strategy and its triad of forces, they will continue to strengthen NATO's defense posture, with special regard to conventional forces.

The Alliance has demonstrated that it serves the cause of peace and freedom. Even in difficult situations, it has been able to do so because its members have acted in a spirit of solidarity. The Alliance does not threaten anyone. Nor does it aspire to superiority, but in the interests of peace it cannot accept inferiority either. Its aim is, as before, to prevent any war and safeguard peace and freedom. None of the weapons of the Alliance will ever be used except in response to attack.

The Chancellor paid tribute to the crucial contribution that the United States renders to the joint security of the Alliance through the indispensable presence of American troops in Europe. The President and the Chancellor agreed that a unilateral reduction of American troops would have a destabilizing effect and, at the same time, would

undermine efforts for negotiated force reductions.

The President expressed his great appreciation for the significant and uninterrupted German contribution to the common defense. In particular, he paid tribute to the German-American agreement of April 15, 1982 on Wartime Host Nation Support, which entails considerable additional expenditure by the Federal Republic of Germany and the United States of America for common defense.

The President and the Chancellor stressed the need for close, comprehensive, and timely consultations to strengthen the Alliance's cohesion and its capacity to act. They attached particular importance to German-American cooperation. They hoped that informal meetings of the foreign ministers of the Alliance would be continued.

The President welcomed the resolve of the Government of the Federal Republic of Germany to strengthen European unification. The President and the Chancellor paid tribute to the important role of the European Community and all its member states for economic and political stability in Europe and the world. The development of a united Europe will strengthen cooperation between Europe and the United States and, hence, also reinforce the Alliance.

The President and the Chancellor paid tribute to the close agreement and cooperation between the Federal Republic of Germany and the Three Powers in all matters relating to Berlin and Germany as a whole. They concurred in the view that the preservation of trouble-free conditions in and around Berlin was an essential element of East-West relations and of the international situation as a whole.

The President reaffirmed American support for the political aim of the Federal Republic of Germany to work for a state of peace in Europe in which the German nation will regain its unity through free self-determination.

A major subject discussed during the meetings was relations with the Soviet Union. The values and goals of the Soviet Union do not correspond to our own. The USSR restricts freedom on its own territory and in countries under its influence, and has shown that it is ready to use force or the threat of force to achieve its foreign policy aims. Security of Western societies requires constant attention to the military threat posed by the USSR. The Federal Republic of Germany and the United States of America gear their policies in East-West relations to the concept of renunciation of force, human rights, and the right of nations to self determination.

The President and the Chancellor called upon the Soviet Union to comply with internationally recognized rules of conduct. This required respect for the principles enshrined in the Charter of the United Nations and in the Helsinki Final Act as well as a world-wide policy of moderation and restraint.

In this spirit, the President and the Chancellor underlined their desire to improve relations with the Soviet Union. They are ready to conduct relations with the new leadership in Moscow with the aim of extending areas of cooperation to their mutual benefit if Soviet conduct makes that possible. It is especially important at present for the West to approach the Soviet Union with a clear, steadfast and coherent attitude which combines the defense of its own interests with the readiness to pursue constructive relations, dialogue, and cooperation with the leadership of the Soviet Union.

In this regard, the President and the Chancellor greeted with satisfaction the recent agreement on measures leading to a broader consensus on East-West economic relations. They attached the greatest importance to a common approach to this issue. Close consultation and cooperation on East-West economic issues is as vital to Western interests as is the traditional cooperation on political and security questions.

It is the purpose of our common efforts that trade with the Soviet Union and Eastern Europe should be conducted on the basis of a balance of mutual advantages. While noting the important part which our economic relations with the Warsaw Pact countries can play in the development of a stable East-West relationship, the President and the Chancellor agreed that those relations should be approached in a prudent and diversified manner, consistent with our

political and security interests.

The Chancellor expressed his appreciation for the lifting of the embargo on oil and gas technology and equipment, which he considered as evidence of successful efforts on the part of all concerned for improved coordination of Western policy in the economic field.

The President and the Chancellor agreed that developments in Poland, which continued to cause great concern, had an adverse effect on efforts to promote security and cooperation in Europe. They drew attention once more to the Soviet Union's responsibility for the events in Poland. They called upon the Polish leadership to lift martial law in Poland, to release all detainees, to reverse the ban on the trade union Solidarity and, through serious dialogue with the Church and appointed workers' representatives, to seek national consensus which is the only way to lead Poland out of its present crisis, free from any external interference. They hoped that the release of Lech Walesa will promote these objectives. The President and the Chancellor welcomed the numerous initiatives for humanitarian aid for the Polish people. They agreed that this aid should be stepped up wherever possible.

The President and the Chancellor agreed on the importance of the CSCE process initiated by the Helsinki Final Act and advocated that it be continued. It is a long-term process which has been gravely affected by events in Poland. It can prove successful only if the participating countries observe the principles and provisions of the Final Act in their entirety. They expressed support for the new proposals, responsive to events in Poland and the USSR, put forward by the West in the resumed Madrid session, as reasonable and essential elements of a balanced outcome.

The President and the Chancellor agreed that the CSCE review conference, which was resumed in Madrid on November 9, 1982, should agree on a substantive and balanced final document which leads to progress in the important humanitarian field of East-West relations and contains a precise mandate for a Conference on Disarmament in Europe (CDE), envisaging militarily significant confidence and security building measures covering the whole of Europe, from the Atlantic to the Urals.

The President and the Chancellor noted that arms control and disarmament as well as defense and deterrence were integral parts of NATO's security policy. They agreed that significant progress towards reduction of the levels of nuclear and conventional forces through balanced and verifiable agreements would be an important contribution to the reduction of international tensions. The incessant unilateral increase in Soviet armaments in recent years has threatened the security of the Alliance and international stability and made even more urgent the need to establish a balance of forces between East and West. The goal of the United States and the Federal Republic of Germany remains to achieve a stable balance of both nuclear and conventional forces at the lowest possible level.

The President and the Chancellor recalled the comprehensive program of arms control proposals put forward by the United States on the basis of close consultation and adopted by the entire Alliance at the Bonn Summit on June 10, 1982. They stressed their common belief that this program provides the best hope for true reductions in arsenals of both intermediate and intercontinental strategic weapons. They rejected the proposals to freeze existing levels of nuclear weapons, or for one-sided reductions by the West, as inadequate for substantive arms control and as harmful to the security of the Atlantic Alliance. They noted also that the Soviet Union had in recent years refused to reciprocate the unilateral restraint in this field by the United States. They expressed the strong judgment that true reductions in nuclear armaments would be possible only when the Soviet Union is convinced of the determination of the West to maintain its defenses at the level necessary to meet the threat posed by massive increases in Soviet nuclear forces.

In this connection they attached particular importance to negotiations on reductions of strategic arms and of intermediate range nuclear forces now underway between the United States and the Soviet Union in Geneva. President Reagan reaffirmed his determination to do his utmost

to achieve true reductions in nuclear armaments through balanced and verifiable agreements. The President and the Chancellor pointed out that negotiations in Geneva are serious and substantial. At the same time they expressed concern at the refusal of the Soviet Union to take into account legitimate Western security concerns.

In conformity with their policy for actively safeguarding peace through firmness and negotiation, the President and the Chancellor reaffirmed their commitment to both parts of the NATO dual-track decision of December 12, 1979, consisting of a program of INF modernization and an offer to the Soviet Union of arms control negotiations on INF. An important aspect of Western security policy remains the common determination to deploy modernized longer-range INF missiles in Europe beginning at the end of 1983 if negotiations on this subject now underway in Geneva do not result in a concrete agreement making deployment unnecessary. The President and the Chancellor noted that the decision to deploy the systems in Europe was based on a unanimous finding by members of the Atlantic Alliance that increases in Soviet weapons, in particular introduction of SS–20 missiles, had endangered the security of Western Europe and thus of the entire Alliance. They stressed that the complete elimination of Soviet and United States land-based, longer-range INF missiles, as proposed by the United States, would be an equitable and fair result and would be a substantial contribution to serious arms control. They called upon the Soviet Union to negotiate seriously toward this end. The Chancellor restated his full confidence in the American negotiating effort in Geneva and welcomed the close and continuous process of consultations within the Alliance.

President Reagan described the ideas behind his Berlin initiative of June 10, 1982 for an agreement between the United States and the Soviet Union on measures to help avoid the danger that accident or miscalculation could lead to a nuclear exchange between East and West. He stated that the United States was preparing proposals for nuclear confidence building measures which would be presented by American representatives at the Geneva negotiations. The Chancellor and the President expressed their hope that the Soviet Union would join with the United States in progressing rapidly to an agreement on such measures. They also remain commited to halting the spread of nuclear weapons through the pursuit of vigorous non-proliferation policies.

The President and the Chancellor underscored their undiminished interest in substantial reduction in conventional forces in central Europe. They recalled the new draft treaty which the Western participants had presented at the Vienna negotiations on mutual and balanced force reductions. This proposal provides an excellent foundation for a balanced agreement on reduction of conventional forces in Europe. The President and the Chancellor called upon Warsaw Pact participants to react positively.

They stated that agreement on a comprehensive and fully verifiable ban on chemical weapons in the Geneva Committee on Disarmament remained a prime objective of their policies.

They also attached great importance to efforts in the United Nations to secure transparency by promoting military openness, verification, and wider availability of information on defense spending.

The President and the Chancellor were in complete agreement on the requirement for special attention to Alliance needs on the Southern Flank. They emphasized in this connection their resolve to support the Turkish Government in its efforts to lead Turkey back to democracy.

The President and the Chancellor expressed confidence that our free societies would overcome the current difficult economic situation. They attached paramount importance to restoring the conditions for sustained growth through higher investments, in order to reduce unemployment and to maintain price stability.

The economic policies of industrial nations must be closely coordinated. Each country must bear in mind the effects that its political and economic measures will have on other countries. These factors will also have an important effect on the Economic Summit to be held in Williamsburg

at the invitation of the United States. Both sides reaffirmed the importance of conducting the discussions at this summit on the basis of openness, trust, and informality.

The President and the Chancellor discussed the dangers posed by rising protectionism to world trade and the economic well being of nations. They reaffirmed their commitment to the multilateral trading system, looking forward to a successful GATT Ministerial meeting in Geneva this month.

The President and the Chancellor agreed that it is imperative to respect and promote the independence of the countries of the Third World and that genuine nonalignment is an important element of stability and world peace. The President and the Chancellor reaffirmed their readiness to continue to cooperate with Third World countries on the basis of equal partnership.

The continuing Soviet occupation of Afghanistan is a strain on international relations. The President and the Chancellor deplored the fact that the Soviet Union continued to defy international opinion and ignored United Nations resolutions calling for the withdrawal of foreign troops from Afghanistan, as well as the right to self-determination for Afghanistan and restoration of its non-aligned status. Afghanistan remains an acid test of Soviet readiness to respect the independence, autonomy, and genuine non-alignment of Third World countries and to exercise restraint in its international behavior.

The Chancellor welcomed President Reagan's proposal of September 1, 1982 as a realistic attempt to promote the peace process in the Middle East. They agreed that negotiations between Israel and its neighbors in the framework of UN resolutions 242 and 338 offer the best opportunity for peaceful resolution of disputes in that area. The United States and the Federal Republic of Germany, together with its partners in European Political Cooperation, will, as before, seek to ensure that the American and European efforts for a comprehensive, just, and lasting peace in the Middle East, on the basis of existing achievements, are complementary to each other. They called for early withdrawal of all foreign forces from Lebanon. They continued to urge that the sovereignty and unity of Lebanon be restored and expressed their support for the reconstruction of Lebanon.

Proclamation 5000—National Home Health Care Week, 1982

November 15, 1982

By the President of the United States of America

A Proclamation

In recent years, home health care has rapidly gained acceptance as an important and successful element of high quality care. Many Americans have found that caring for the needs of our sick at home or in a community setting is not only as effective as in an institution, but that it is less costly and often more desirable for the patient. Communities, together with States and the Federal government, have begun building integrated networks to provide care for the elderly and disabled in homes and in the community.

Federal expenditures on Medicare and Medicaid, two of government's largest programs serving the elderly, poor, and disabled, are expected to exceed $75 billion in 1983, about two out of every ten dollars spent on health care in this nation. Over the past fourteen years, the number of home health agencies participating in Medicare has increased by two-thirds, and there are now more than 4,000 certified providers of home care. My Administration has initiated reforms and expansions of home health care benefits provided under Medicare to complement this work.

Now, Therefore, I, Ronald Reagan, President of the United States of America, in accordance with Senate Joint Resolution

113, do hereby designate the week of November 28 through December 4, 1982, as National Home Health Care Week, and I call upon government officials, citizens, and interested organizations and associations to observe this week with appropriate activities.

In Witness Whereof, I have hereunto set my hand this 15th day of Nov., in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 10:05 a.m., November 16, 1982*]

Appointment of William J. McGinnis, Jr., as a Member of the National Advisory Council on Vocational Education

November 15, 1982

The President today announced his intention to appoint William J. McGinnis, Jr., to be a member of the National Advisory Council on Vocational Education for the remainder of the term expiring January 17, 1983, vice Roger A. Emmert. The President also intends to reappoint him for a term expiring January 17, 1986.

Mr. McGinnis is commissioner for the Township of Long Beach, N.J. He is also president of McGinnis Associates, a management consulting firm. He is national president of the Society of Professional Management Consultants. He is a member of the Institute of Management Consultants and the International Association of Strategic Planning Consultants. He is also president and founder of the Southern New Jersey Public Employer Negotiators Association.

He graduated from LaSalle College (B.S., 1967). He is married, has three children, and resides in Brant Beach, N.J. He was born January 11, 1946.

Appointment of Armand Hammer as Chairman of the President's Cancer Panel

November 15, 1982

The President today announced his intention to appoint Armand Hammer to be Chairman of the President's Cancer Panel for the term of 1 year. This is a reappointment.

Dr. Hammer acquired the Occidental Petroleum Corp. in 1957 and currently serves as president, chairman of the board, and chief executive officer. Previously, Dr. Hammer was involved in the distilling and cattle businesses.

He is active in community and civic affairs and has been a strong supporter of cancer research. He serves on the board of directors of the Eleanor Roosevelt Cancer Foundation and is a trustee of the Eleanor Roosevelt Memorial Foundation. In 1969 he established the Armand Hammer Center for Cancer Biology at the Salk Institute in California. He is an art patron and founded the Hammer Galleries, Inc. (New York City), and continues to be a major supporter of the Los Angeles County Museum of Art.

Dr. Hammer graduated from Columbia University (B.A., 1919; M.D., 1921). He is married, has one son, and resides in Los Angeles, Calif. He was born May 21, 1898, in New York City.

Executive Order 12392—International Financial Institutions
November 15, 1982

By the authority vested in me as President by the Constitution and statutes of the United States of America, including Section 301 of Title 3 of the United States Code, and in order to assign to the Secretary of the Treasury the authority to make payments to certain international financial institutions, it is hereby ordered that the functions vested in the President by Section 129 of Public Law 97-276 (October 2, 1982) are delegated to the Secretary of the Treasury.

RONALD REAGAN

The White House,
November 15, 1982.

[*Filed with the Office of the Federal Register, 10:06 a.m., November 16, 1982*]

Toasts of the President and Chancellor Helmut Kohl of the Federal Republic of Germany at the Dinner Honoring the German Chancellor
November 15, 1982

The President. This is very wonderful, to welcome you all here tonight. And I am not going to make a formal address or anything with regard to this toast. I'm simply going to say how pleased Nancy and I are to have all of you here and to have, particularly, our honored guests tonight—Chancellor Kohl, Mrs. Kohl—and to say that—I would not be exaggerating a bit if I said that I have great respect for Chancellor Kohl, but also I like Chancellor Kohl.

Would you all join me in a toast. To Chancellor and Mrs. Kohl and to our friends.

The Chancellor. Mr. President, Mrs. Reagan, ladies and gentlemen:

Well, on behalf of my wife and on behalf of the delegation accompanying me on this trip, I would like to express to you, Mr. President, and to you, Mrs. Reagan, my very warm thanks for this warmhearted, for this friendly, and for this very kind reception you have given us here in the White House. There are receptions of this kind or that kind—[*laughter*]—and the President of the United States of America has to give a good many receptions. This is part of this job. [*Laughter*] And, yet, there are differences. And we felt it very clearly, and for this we are most grateful to you.

I am the first Federal Chancellor who belongs to the postwar generation. I was 15 years old when the war ended, and Mrs. Kohl was a refugee coming from the central part of Germany. And we met each other back in 1947 when we both attended dancing lessons. [*Laughter*] And she was wearing a dress, and that was out of a gift parcel sent by Americans. And I had a suit that was a gift from the Quakers. [*Laughter*]

It was extremely elegant. I had an oversized coat, but it wasn't necessary, because I was not as broad and wide as today. [*Laughter*] Today I need a tailor and the assistance of a tailor to cover the reality and the facts of life. And I assume that this suit, which was given to me by the Quakers, used to belong to a farmer who voted Republican. [*Laughter*] Well, I had that suit for a very long time.

Well, if we have this suit again today, I think my two boys would be astounded to see that why I'm telling this story, not because of the joke in it, because this was a very fundamental experience in my life. We, the Germans, at that time were outlaws. Nobody would have taken a piece of bread from young couples. At that time we even didn't have a piece of bread.

And who helped us at that time? Morally, it was Pope Pius XII and the Americans. And I have never forgotten it, nor have millions of my fellow countrymen ever forgotten that. Of course, we have to discuss politics, tough issues—arms buildup, modernization, steel—all very important issues in themselves. But it's only part of life. What we received in the way of help, assistance, friendship—and this goes far beyond the other concrete issues.

And my political experience over the last 30 years shows—and I have been active in politics—[*inaudible*]—that these technical questions are very important, these political questions. But what is even more important is that the human contacts, the human wavelength is all right, and that you should be able to rely on friends.

And that is what I would like to propose a toast to, the friendship between our—[*inaudible*]—and for your help, Mr. President.

Note: The President spoke at 9:22 p.m. in the Residence dining room at the White House. The Chancellor spoke in German, and his remarks were translated by an interpreter.

Executive Order 12393—Establishment of Emergency Board No. 199 To Investigate a Railroad Labor Dispute

November 16, 1982

Establishing an Emergency Board to Investigate a Dispute Between the Long Island Rail Road and Certain Labor Organizations

A dispute exists between The Long Island Rail Road and certain labor organizations, designated on the list attached hereto and made a part hereof, representing employees of The Long Island Rail Road.

The dispute has not heretofore been adjusted under the provisions of the Railway Labor Act, as amended ("the Act").

The New York Metropolitan Transportation Authority, the parent body of The Long Island Rail Road, has requested that the President establish an emergency board pursuant to Section 9A of the Act.

Section 9A(c) of the Act provides that the President, upon request of a party, shall appoint an emergency board to investigate and report on the dispute.

Now, Therefore, by the authority vested in me by Section 9A of the Act, as amended (45 U.S.C. § 159a), it is hereby ordered as follows:

1-101. Establishment of Board. There is established, effective November 16, 1982, a board of three members to be appointed by the President to investigate this dispute. No member shall be pecuniarily or otherwise interested in any organization of railroad employees or any carrier. The board shall perform its functions subject to the availability of funds.

1-102. Report. The board shall report its findings to the President with respect to the dispute within 30 days after the date of its creation.

1-103. Maintaining Conditions. As provided by Section 9A(c) of the Act, as amended, from the date of the creation of the Emergency Board, and for 120 days thereafter, no change, except by agreement of the parties, shall be made by the carrier or the employees, in the conditions out of which the dispute arose.

1-104. Expiration. The Emergency Board shall terminate ninety (90) days after the submission of the report provided for in paragraph 1-102 of this Order.

RONALD REAGAN

The White House,
November 16, 1982.

Labor Organizations

ARASA Division, Brotherhood of Railway and Airline Clerks
Brotherhood of Locomotive Engineers

Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes
Brotherhood Railway Carmen of the United States and Canada
Brotherhood of Railroad Signalmen
International Association of Machinists and Aerospace Workers
International Brotherhood of Boilermakers and Blacksmiths
International Brotherhood of Electrical Workers
International Brotherhood of Firemen and Oilers
International Brotherhood of Teamsters
Police Benevolent Association
Railroad Yardmasters of America
Sheet Metal Workers International Association
United Transportation Union

[*Filed with the Office of the Federal Register, 10:17 a.m., November 17, 1982*]

Announcement of the Establishment and Membership of Emergency Board No. 199 To Investigate a Railroad Labor Dispute

November 16, 1982

The President announced today the creation of Presidential Emergency Board No. 199 to investigate and make recommendations for settlement of a current dispute between the Long Island Rail Road (LIRR) and employees represented by 14 labor organizations.

The President, by Executive order, created the Emergency Board at the request of the New York Metropolitan Transportation Authority, parent body of the LIRR. The Long Island Rail Road is the largest commuter railroad in the United States, transporting 283,000 passengers each weekday over a 330-mile system extending from Manhattan to the end of Long Island. In addition, LIRR provides the only rail freight service on Long Island and connects with the Nation's rail system through New York City. A strike on the Long Island Rail Road would have a severe impact on the economy of the New York metropolitan area, disrupting commuter travel and trucking, and leading to increased consumption of gasoline.

Consequently, the President invoked the emergency board procedures of the Railway Labor Act applicable to commuter railroads, which provide that the Board will report its findings and recommendations for settlement to the President within 30 days. The parties must then consider the recommendations of the Emergency Board and endeavor to resolve their differences without engaging in self-help during a subsequent 90-day period.

The President appointed Arvid Anderson, chairman of the New York City Office of Collective Bargaining, to serve as Chairman of the Emergency Board. Richard T. Niner, an investment adviser from Greenwich, Conn., and Professor Daniel G. Collins of the New York University School of Law, were named as members of the Board. These same people are presently serving as Emergency Board No. 198, investigating a dispute between the Metro-North Railroad Company and 17 labor organizations.

Note: The White House press release included a fact sheet on the Long Island Rail Road.

Memorandum on Subsidy Practices Relating to Specialty Steel Imports

November 16, 1982

Memorandum for the United States Trade Representative

Subject: Determination Under Section 301 of the Trade Act of 1974

Pursuant to Section 301(a)(2) of the Trade Act of 1974 (19 U.S.C. 2411(a) (2)), I have determined that the action described below is an appropriate and feasible response to subsidy practices of the European Community (EC), Belgium, France, Italy, the United Kingdom, Austria and Sweden, which are inconsistent with Articles 8 and 11 of the Agreement on the Interpretation and Application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade (Subsidies Code). With a view toward eliminating the harmful effects of such practices, I am directing the United States Trade Representative (USTR) to: (1) request the United States International Trade Commission to conduct an expedited investigation under Section 201 of the Trade Act of 1974 (19 U.S.C. 2251) with regard to the five specialty steel products subject to the 301 investigation; (2) initiate multilateral and/or bilateral discussions aimed at the elimination of all trade distortive practices in the specialty steel sector; and (3) monitor imports of specialty steel products subject to the 201 proceeding. If during the pendency of the International Trade Commission section 201 investigation imports cause damage which is difficult to repair, consideration would be given to what action, if any, might appropriately be taken on an emergency, interim basis under Section 301 of the Trade Act of 1974, consistent with U.S. international obligations.

Statement of Reasons

The Office of the USTR initiated investigations under Section 301 on February 26, 1982 (47 F.R. 10107) and on August 9, 1982 (47 F.R. 35387) on the basis of petitions filed by the Tool and Stainless Steel Industry Committee and the United Steelworkers of America. Petitioners principally allege that the EC and the above-mentioned countries have subsidized the production of specialty steel in a manner inconsistent with their obligations under Articles 8 and 11 of the Subsidies Code.

Petitioners' allegations are well founded. The United States believes that subsidies have been provided by the Government of Austria in the form of grants and capitalization, by the Government of Sweden in the form of preferential loans, loan guarantees and grants, and by the European Communities and its member governments in the form of preferential loans, loan guarantees, capital grants, "recapitalization" of financial losses, interest rebate programs, exemptions from taxation, and other practices.

The injury to the domestic industry is clear. The specialty steel industry is an efficient, technologically up-to-date and export-oriented branch of the steel industry. Its output is used in a wide range of demanding applications critical to an industrial economy and thus commands a price far higher than ordinary steel. Regarded as an advanced, innovative and competitive industry, specialty steel producers in the United States have tended to be more profitable than the industry as a whole and far more so than most of their major competitors abroad. Nevertheless, the industry is facing an unprecedented challenge to its continued prosperity, and a number of its member firms are fighting for survival.

Part of the problem can be traced to the recession that began in America's basic industries more than two years ago. However, it is clear that since the lifting of import quotas in February 1980, imports have steadily captured a larger share of the U.S. market, further depressing operating rates, employment, prices and revenues. Through the first eight months of 1982, imports were at historically high levels, with import penetration ratios ranging from 11 to more than 50 percent, depending on the product. In every product category, imports now exceed the surge levels established by the Department of Commerce.

The majority of these imports are currently under investigation for unfair trade practices under Section 301, the countervailing duty statute, or the antidumping duty statute. However, they do not cover all important, or potentially important, sources of specialty steel imports. A partial remedy against unfair imports can be rendered meaningless by a substitution of new foreign suppliers for those whose shipments are affected. Thus, the specific subsidy complaints could lead to a remedy that fails to resolve the overall import problem. Moreover, dealing with the specific subsidy problem itself probably would not have a great impact on the world steel trading environment in which our industry must compete. Subsidies are only one of a wide range of trade restrictive and trade distortive practices that many of our trading partners engage in to protect their industries and to stimulate exports. If we are ever to put an end to constant trade disputes in steel, we must stop dealing with discrete import and export issues in isolation and instead begin a coordinated approach to the problem. By combining the Section 201 and Section 301 approaches, the United States hopes to stabilize the immediate import situation and to reverse the global trend toward greater excess capacity, increased subsidization, and closed markets.

This determination shall be published in the *Federal Register.*

RONALD REAGAN

[*Filed with the Office of the Federal Register, 11:55 a.m., November 16, 1982*]

Nomination of William G. Simpson To Be a Member of the Board of Directors of the Overseas Private Investment Corporation

November 16, 1982

The President today announced his intention to nominate William G. Simpson to be a member of the Board of Directors of the Overseas Private Investment Corporation, United States International Development Cooperation Agency, for a term expiring December 17, 1984. He would succeed William M. Landau.

Mr. Simpson is currently serving as president of W. G. Simpson & Co., Inc., Investments, in Kenilworth, Ill. He was financial consultant for that firm in 1971–1979. He served as vice president of Supervised Investors Services in 1970–1971, as vice president of the Combined Insurance Co. of America in 1965–1970, and as Deputy Administrator of the Small Business Administration.

Mr. Simpson graduated from the United States Military Academy (B.S., 1946), the University of Chicago (M.B.A., 1950), and the University of Illinois (C.P.A., 1956). He is married, has two children, and resides in Kenilworth, Ill. He was born August 5, 1923.

Remarks at the Annual Convention of the United States League of Savings Associations in New Orleans, Louisiana

November 16, 1982

Thank you very much. Governor Treen and Chairman Green, I thank you very much. Distinguished gentlemen here on the platform, your officers, and you ladies and gentlemen:

It's a great pleasure to be back in this beautiful Bayou country. Today brings me a very special honor, too. I understand that

I'm the first sitting President to ever address the U.S. League of Savings Associations. Well, that makes me happy, because when one thinks of the people who live by the values and traditions that made America great—faith in God, love of family and freedom, service to community and country—the leaders of your industry come immediately to mind.

I'm told that when the U.S. Constitution was less than 50 years old, a group of men met at Thomas Sidebotham's Tavern in Frankford, Pennsylvania. Their aim was to form a club to pool their savings to finance their homes. The Oxford Provident Building Association offered its first mortgage in April of 1831 to a local lamplighter named Comly Rich. And he used $375 to buy a home, which still stands today on Orchard Street in Frankford. And from that idea has grown the $625 billion savings and loan business, devoted to the business of savings and homeownership. You can be very proud.

I couldn't help reflecting, as we flew down, that New Orleans is too good not to enjoy. People who come here usually come to celebrate. And you know something? I thought I detected a smile or two on your faces. I heard a rumor around that Roy Green and some of you think the Sun is beginning to shine again on savings and loans. Might that be true? [*Applause*]

You know, thinking about what your group has been through reminds me of the story of the three gentlemen who had departed this Earth and were standing at the gates of heaven waiting for admittance. One was a surgeon, the other one an engineer, the third one an economist. They'd all been good, upright people, but it developed that there was only room inside for one. So St. Peter said, "I'll tell you what, I'll pick the one who comes from the oldest profession." The surgeon stepped right up, and he said, "Well, I'm your man. Right after God created Adam, he operated. He took a rib, created Eve, so surgery has to be the oldest profession." And the engineer said, "No." He said, "You see, before God created Adam and Eve, he took the chaos that prevailed and built Earth in 6 days. So, engineering had to precede surgery." The economist spoke up and said, "Just a minute. Who do you think created all that chaos?" [*Laughter*]

Well, chaos is what your industry faced in 1980—a situation that was created by people with noble intentions but without a solid grip on how the real world works. Housing, the bedrock industry that provides your daily bread, had been brought to its knees. For millions of Americans, the dream of homeownership was shattered by soaring costs, record interest rates, and economic mismanagement. Between 1977 and 1980—in those 3 years—the average monthly payment for a mortgage loan nearly doubled.

Now, those policies of big spending and big taxing left a trail of disappointment and broken promises. With the economy going haywire, the thrift industry was trapped in the vise of an earnings squeeze and overregulation. Others capitalized on the financial revolution of money market funds, but there was no light at the end of your industry's tunnel, no way to make a new niche in the market and compete for the saver's money.

Well, I've said before, we didn't go to Washington with more snake-oil remedies for quick fixes, and we don't suffer from paralysis by analysis. [*Laughter*] We're determined to make America well again. We intend to rebuild this country, not from the government down, but from the people up. I believe the true strength of America and her passport to greater glory resides on the streets where you live, with the American family. Calvin Coolidge said, "Look well to the hearthstone, for therein all hope for America lies."

The goal of our administration has been, and will remain, to restore to families, communities, and places of work their rightful positions of honor, strength, and leadership so, together, we can lift America to new progress and opportunity for all her citizens. The means of reaching that goal have been, and will remain, to liberate individuals, deregulate markets, and place limits on the size and authority of the Federal Government. No longer must government be allowed to ride roughshod, absorbing the people's wealth, usurping their rights, and crushing their spirit.

This is why the health of your savings and

loans, the community builders of America, is so important to our future. So, yes, we designed a program to attack our economic disease at its roots. And I know this comes as a shock to some, after what you've heard the last few months, but our program *is* beginning to do exactly what it was intended to do.

In 1980 the growth of Government spending was zooming at 17-percent annual rate. That was a blueprint for bankruptcy, the end of our American way of life. We cut spending growth by nearly two-thirds. And today, America no longer suffers from double-digit inflation. Inflation has been beaten all the way down, here in this 11th month, to 4.8 percent so far this year. And I'll let you in on a little secret: We're not finished yet; 1982 could go down as our best victory against price increases in the last 10 years.

We pledged to provide new, strong incentives for Americans to invest in their future, to save again, to put their money in institutions like yours that supply the mortgage loans families so badly need. So, we expanded the limits on IRA accounts and Keogh plans; we cut the top rate of tax on interest and dividend income; we're reducing everyone's personal tax rate by 25 percent; we're aggressively pursuing deregulation of financial markets; and we're encouraging business savings by permitting more rapid depreciation of plant and equipment.

I'm pleased to report to you that an old-fashioned American value—thrift—is making a strong comeback. Personal savings, the lifeblood of your industry, have not only reversed their decline but reached their highest level in 6 years. Seventeen percent of all American households opened up IRA accounts in the first part of 1982. With your help, we'll see another big surge in the remainder of this year and in 1983.

This greater pool of savings helped fuel the historic rise in the stock and bond markets, which means more investment for jobs. So, here's the clincher: This nation's nest egg is beginning to grow again. For the first time in nearly 20 years, hard-working families can keep more of their income that they work so hard to earn. I happen to believe that's an important part of what justice and compassion are all about.

Bringing down inflation and expanding the savings pool explains another piece of good news; in fact, it's great news. We don't have a 21½-percent prime rate of interest anymore. The prime rate is down to 12 percent, and mortgage rates—your stock-in-trade—are coming back down, too.

Now, I hope that I'll be pardoned for pointing out that the conventional commitment rates for long-term home mortgages peaked at nearly 19 percent in September of '81—that was the month before our program began. By last week, the nationwide average had fallen to 13 percent. And I want you to know that we're determined to bring those rates down further.

These are all reasons for hope. But we're also trying to go to the root of the special problems making life so difficult for your industry. Early on, we appointed a Presidential Commission on Housing, headed by Bill McKenna, to come up with responsible policy recommendations. And I realize I'm not impartial on this, but I just have to believe that Richard Pratt is the best darn Chairman the Federal Home Loan Bank Board has ever had. After many years of struggle, your industry now has greater flexibility in the instruments it can use to raise funds and a greater variety of opportunities for investing those funds, including the variable rate mortgage. So, now you can compete on a more level playing field.

And that's not all. With leadership from Secretary Regan, Chairman Brank—Bratt—B[r]anking Committee Chairman Garn—[*pause*]—I'll get this straight yet!—[*laughter*]—and your active support—*your* active support, I recently signed some landmark legislation as you've been told—the depository institutions act. And from now on, you'll be free to compete for the saver's dollar. And we hope you agree this legislation can be the Emancipation Proclamation for America's savings institutions.

Now, we're not promising a panacea. We're just saying, as Winston Churchill did, we'll give you the tools and you'll get the job done. This historic legislation can increase competition. It can open up a supermarket of services for small savers, grant them greater access to loans, a higher return on their savings. And when com-

bined with recent sharp declines in interest rates, it'll mean more housing, more growth, more jobs. It can mean we hit the jackpot. We think the next Congress can go even further with financial deregulation.

There's a new spirit building in America—a spirit of confidence, optimism, and hope. In September, we saw solid increases in the sales of new homes, in the growth of housing starts and, even more important, in new housing permits.

We still have a long way to go before we make things right again. Far too many people are still hurting. But we believe the turnaround in your industry signals a turnaround in the rest of the economy, and that's mighty good news for America. So, the question now is, where do we go from here?

Well, let me tell you a few places we're not going. We're not going back to the policies that left America with record inflation, record interest rates, and the worst peacetime tax burden in our history. We will not negate all the good that we accomplished in these first 22 months. Compromise must not mean incremental retreat on principle.

We cannot permit the Congress to take away the third year of the people's tax cut or the indexing provision, and we're not going to allow them to do that. This would mean a net tax increase of about $3,000 over the next 5 years for a typical working family. It would compromise incentives to save, just now beginning to pay off. And it would send up the white flag of surrender to big spenders. Reducing deficits on paper by raising taxes on people invariably leads to more red ink, not less.

We intend to press forward for a constitutional amendment to bring back something millions of Americans have never known—a balanced Federal budget. We intend to press forward for our enterprise zones proposal to bring new jobs, growth, and hope to the most depressed areas of our country.

Above all, we intend to wage a full-court press for economic truth. What this economy needs to grow stronger, to become more productive and competitive, to create new jobs, and to ensure higher real wages and incomes for our people is the power of investment. Savings finance investment, and investment creates growth. Tragically, our rate of savings and net investment in America during the last decade has been pitifully weak—less than half that of our principal competitors in Europe and Japan. A little more than a year ago we passed our program of tax incentives to begin correcting the investment gap. It represents a mere downpayment on what needs to be done. We don't need fewer incentives to save and invest; we need more incentives.

And let's quit kidding ourselves: We will not solve the problems of unemployed autoworkers and steelworkers with another giant, temporary public works program financed by depleting still more of the Nation's precious seed corn. Over a 7-year period ending in 1981, government spent $66 billion on so-called job programs, and during those 7 years, unemployment increased and the economy worsened. What the unemployed need most is a broad-based economic recovery. We must seek out and develop new markets around the world, make our goods more competitive, accelerate job training, and give greater incentives to the pioneers creating products, technologies, and jobs for our future.

Every decision we make must be weighed as to whether or not it will help restore our economy. The answers to the challenge of the eighties don't lie in the make-work programs of the sixties and seventies. Our decade-long trend of rising unemployment was not caused by highway potholes. Repairing America's infrastructure is important; indeed, it's necessary. And I'm considering an initiative for that. But our highest priority is to restore America's industrial power to get America back on the cutting edge of growth through greater investment.

The investment challenge is America's challenge for the eighties. For the sake of every citizen who wants and needs a job, I ask the Congress to work with us on initiatives that will move America forward, not backward. The American people weren't put on this Earth to become managers of decline.

Now, deficits are a great threat, because government borrowing eats up savings that should be financing investment. When I arrived in Washington, we faced a trillion-

dollar debt. This year Uncle Sam must borrow $110 billion just to pay the interest. And we face large projected budget deficits in the future.

A propaganda campaign would have you believe that these deficits are caused by our so-called massive tax cut and defense buildup. Well, that's a real dipsy-doodle—[*laughter*]—because even after our tax reductions are fully in place, they will barely neutralize the enormous payroll tax increases that were approved in 1977. One installment of that increase went into effect last January, and there will be a tax increase on some or all of the people every year from now on, between now and 1990, either by raising the amount of pay that is taxed for social security or by raising the actual tax rate.

During the next 5 years our planned defense increase will come to less than 2 percent of the gross national product, or $70 billion at the 1982 level of gross national product. As a matter of fact, defense spending as a share of gross national product will be below the level that it was in 1960, which was before our Vietnam buildup and, more importantly, before the unprecedented Soviet buildup. Defense spending is 30 percent or less of our total budget. It used to run regularly around half of the Federal budget.

There's simply no escaping the truth: Current and projected deficits result from sharp increases in nondefense spending. If the United States is to meet its investment challenge, we must get the growth of nondefense spending under control once and for all.

In the past 2 weeks, I've been conducting an intensive review of our economic and budgetary situation. Difficult choices lie ahead. They'll require political courage. No one ever said that democracy was easy. But we do know that democracy works if we make it work. So once again, we're asking for your help. We need your support at the grassroots as we put together a program to reduce projected deficits. It must be a balanced program that brings deficits down without violating our goals of reducing the burden of taxation, protecting the needy, and moving forward with our program to rebuild America's badly neglected defenses. I believe we can do this. And I know the American people will respond to reason and leadership.

I hear the cynics who have given up on our country. They're so quick to run down America, to find fault with everyone but themselves. To hear them talk, no one feels concern for a fellow citizen or cares about our future. Sometimes they give the impression the United States is dying from cirrhosis of the giver. [*Laughter*]

Well, I travel a little bit. I receive a letter or two. And let me tell you, the spirit of America is good. Her heart is strong and true. Never has the world known a more generous and industrial people. Maybe we don't always see them on the news, but ours is a land of quiet, unsung heroes. They spend a lifetime giving themselves—to their families, schools, churches, and communities. Don't let anyone tell you that our best days are gone and America's spirit is crushed. We've seen it triumph too often in our lives to stop believing in it now.

Above all, let us remember the mountain of strength that offers the greatest hope and inspiration for all. I believe with all my heart that standing up for America means standing up for the God who has so blessed our land. We need God's help to guide our nation through stormy seas. But we can't expect Him to protect America in a crisis if we just leave Him over on the shelf in our day-to-day living. There's a lovely old hymn which says: When morning lights the eastern skies, O Lord Thy mercy show, on Thee alone our hope relies, let us Thy kindness know.

Trusting in Him, believing in each other, working together, we will rebuild America—the land of our dreams and mankind's last great hope.

I told you that I get a letter or two. The other day, there were a group of young people, teenagers, at the White House. They were from all over the United States, from your towns, your States. They were young volunteers who have engaged in volunteer, kindly deeds and charitable work in their communities. And they gave me, leather-bound, a book of handwritten letters that each one of them had written about what this meant. And just one incident from one, a little girl who the—you

know that very Special Olympics for the children who are retarded. It's going to be held here, I believe, very shortly, the world Olympics.

But this little girl was to help out with just one of the more local Olympics, and it was raining cats and dogs. And her chore was to be out on the softball-throwing contest, returning the balls in the rain. And she was pretty depressed, and she was cold, and she wondered what she was doing there. And then she saw a little boy, one of the participants, one of those handicapped children, and he looked cold and wet and as if he was wondering what he was doing out there in the rain. And she went over to him and handed him the ball and said something to him nicely. And she told me what it meant, that then in that instant, he looked up, put his arms around her, and said, "I love you." "And suddenly," she said, "it couldn't have been raining anymore. The Sun must have been shining." And she said that just from that one thing, from that little child, she said, "I learned the joy of service and why we're doing these things, these volunteer things."

That's our children. We can't have done everything wrong if we've got kids in America that feel that way and are doing what they're doing.

Thank you for inviting me to be with you today. God bless you all.

Note: The President spoke at 1:56 p.m. in the Grand Ballroom at the Hilton Hotel following remarks and an introduction by Roy Green, chairman of the U.S. League of Savings Associations.

Following his remarks, the President was presented with a medal with a portrait on the front side of Isaac Shallcross, the first secretary of the first savings and loan association when it was founded in 1831. The special medal was struck in commemoration of the President's address before the convention.

Later in the day, the President attended a fundraising reception at the Hilton Hotel for Governor David C. Treen. Following the reception, the President traveled to Miami, Fla., and remained overnight at the Omni Hotel.

Proclamation 5001—Wright Brothers Day, 1982
November 16, 1982

By the President of the United States of America

A Proclamation

Seventy-nine years ago on December 17 at Kitty Hawk, North Carolina, Wilbur and Orville Wright made man's first successful flight in a mechanically propelled flying machine. Although this first successful flight lasted only 12 seconds and covered a distance of only 120 feet, the Wright brothers' historic feat opened the door to the age of aviation.

Today aviation is a key element in American life. It has grown to become one of America's greatest enterprises for jobs and services as well as for national defense. America's air transportation system is the finest in the world and a prime public carrier in the United States.

Although the Wright brothers undertook the first flight long ago, the adventurous spirit exhibited by them continues to inspire the Nation's progress in space and aeronautics. Last year, the United States Space Shuttle Columbia made its first space flight. This year, the fourth and final orbital test flight phase of the Space Shuttle program was successfully completed. Completion of this program now opens a new door to the exploration of space and reflects another outstanding contribution to American aviation. This year also marked the Nation's first successful private launch of a space vehicle, giving rise to expectations of a new era of direct private sector involvement in space ventures.

To commemorate the historic achievements of the Wright brothers, the Congress,

by a joint resolution of December 17, 1963 (77 Stat. 402, 36 U.S.C. 169), designated the seventeenth day of December of each year as Wright Brothers Day and requested the President to issue a proclamation annually inviting Americans to observe that day with appropriate ceremonies and activities.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby call upon the people of the Nation, and their local and national government officials, to observe Wright Brothers Day on December 17, 1982, both to recall the accomplishments of the Wright brothers and to provide stimulus to aviation in this country and throughout the world.

In Witness Whereof, I have hereunto set my hand this 16th day of Nov., in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 11:12 a.m., November 17, 1982*]

Note: The text of the proclamation was released by the Office of the Press Secretary on November 17.

Remarks on the South Florida Task Force to Personnel at the United States Coast Guard Station in Miami, Florida

November 17, 1982

I thank you all very much, and, Admiral Gracey, I wonder if you and those assembled here can understand just exactly the mixed emotions that I'm feeling right now, having been a horse cavalryman. It seems a long ways away from home. But it is wonderful to be here today for the men and women of the United States Coast Guard, our nation's oldest continuous sea-going service.

Throughout its long and remarkable history, the Coast Guard has adapted itself to many critically important missions. In times of peace, the Coast Guard is responsible for law enforcement, navigation and marine safety, search and rescue operations, and oceanographic research. And during the war, all wars, the Coast Guard has served valiantly.

Some of you may not be old enough to remember, but I recall during the great South Pacific invasions of World War II, it was Coast Guardsmen who drove the landing craft on some of the most perilous assignments of that conflict.

The contribution those of you here have made in south Florida is further evidence of the strength and flexibility of your service. The work you do every day is not easy or safe. The work that you've undertaken on behalf of the South Florida Task Force adds even more hardship and danger. And, believe me, each one of you is helping to write another glorious page in the history of the Coast Guard. Each one of you is making a personal contribution to your country far beyond the call of duty.

I hope all of you here know the tremendous difference your efforts are making not only in the lives of the people of Florida but throughout America. In the short time that it's been in operation, the South Florida Task Force has brought about a 27-percent increase in drug-related arrests and confiscated over $3 billion worth of illegal drugs. Without your efforts, these drugs would have been on the marketplace providing profits for organized crime, fueling the drug culture that has done so much damage to so many lives in our society.

I'm pleased to be able to say that our drug enforcement and search and rescue capability will be further enhanced by the commissioning of two new ships in Key West today. Prompted by the fine example set by all of you working here in the South Florida Task Force, we're also establishing 12 more task forces throughout America to expand the fight against organized crime, especially the illegal drug trade. This will

mean substantial new resources devoted to combating the drug and crime menace, and it's due in no small part to your dedication and sacrifice.

And I want to take a moment to recognize your outstanding record of readiness and devotion to duty by presenting the *Dauntless* with a Coast Guard Unit Commendation. I would like to congratulate the entire crew on this occasion and ask Commander Newhoff to accept the medal symbolic of that citation.

[*At this point, the President presented the medal to Commander Newhoff.*]

I've come here today not only to thank you as your Commander in Chief for the work that you've done here in Florida but also to thank you for your service to America in the Coast Guard. One of the most fulfilling moments of any President's life is an opportunity to speak to the men and women who, like yourselves, wear the uniform of our country. You make many sacrifices and endure many hardships for the sake of your belief in our country and the values for which it stands. I want you and your families to know that the American people are grateful to you, and they're proud of you.

God bless you, and keep up the good work. Thank you.

Note: The President spoke at 10:53 a.m. on board the U.S. Coast Guard cutter U.S.S. Dauntless. *He was introduced by Adm. James S. Gracey, Commandant of the U.S. Coast Guard.*

Prior to his remarks, the President attended a briefing on the Coast Guard's participation in the South Florida Task Force program given by Comdr. Howard Newhoff, captain of the Dauntless, *and Charles Rinkevich, coordinator of the Task Force.*

Earlier in the day, the President met at the Omni Hotel with Florida county chairmen involved in the 1980 Presidential campaign.

Remarks in Miami, Florida, to Members of the South Florida Task Force and Members of Miami Citizens Against Crime

November 17, 1982

Thank you very much, Mr. Chapman. I'm delighted to be here in the prosperous and lovely State of Florida. And I'm especially delighted to meet with those of you who are doing so much to keep it that way.

Here at Homestead Air Force Base, we see visible evidence of the Federal commitment to the war on criminal drug smuggling in south Florida. Under the leadership of Vice President George Bush, as you've just heard, with the help of his Chief of Staff, Admiral Dan Murphy and the Task Force Director, Charles Rinkevich, the Federal Government has also brought in additional prosecutors and judges, extra courtrooms and hundreds of new investigators. But most important, for the first time, we have brought together the resources of the many agencies of the Federal Government.

As I was briefly—knowing that you were waiting—looking at that exhibit over there, those emblems are the emblems of the various agencies and departments that are all united in this particular program—from Customs to the Drug Enforcement Agency [Administration] to the FBI and to many others, all to assist you in a coordinated and concentrated attack on the powerful, highly organized criminal rings that deal in illegal drug trade.

We've also mobilized the Navy, the Army, and the Coast Guard resources to assist in the interdiction of these drugs. And we appreciate the assistance we've received from Caribbean nations, especially the Bahamas. They've made a significant contribution, and we look forward to their continued cooperation in this effort.

There's no question that the South Florida Task Force has been a clear and unqualified success. Since its inception, drug-related arrests in the area covered by the

task force are up 27 percent. Drug seizures are up about 50 percent in the area that's covered by the Task Force. The amount of marijuana seized has increased by 35 percent, the amount of cocaine by 56 percent. And the street value of all these drugs is estimated at more than an incredible $3 billion.

The Task Force shows what can be achieved when local, State, and Federal authorities cooperate closely. The South Florida Task Force is a brilliant example of working federalism, an illustration of how the genius of our political system, created more than 200 years ago, can still be harnessed to serve the interests of the people and to attack the social problems that confront them.

One of the most astute commentators on our political system more than a hundred years ago was a Frenchman who came here, attracted by what was going on in this country, Alexis de Tocqueville. He said, "There is an amazing strength in the expression of the will of a people; and when it declares itself, even the imagination of those who wish to contest it is overawed."

Well, let no one doubt that this is the real story behind the success of the South Florida Task Force. I don't have to tell you how bad conditions were only a year ago. I don't have to remind you of the growth in crime, the increase in violence, and the gang killings. The citizens of Florida, of Dade County, and of Miami took upon themselves the duty of combating crime and the drug menace. They made this fight their fight. They brought it into their homes and schools and churches and community organizations.

The tour that we've just taken over here, the exhibits we've seen, and the dedicated men and women that we've met are a tribute to your efforts and to the willingness of so many of you to take time out of busy lives and do something extraordinary for your community and your country.

You demanded action from the elected officials at all levels. You saw those demands met, not only at the Federal level but by local and State authorities who agreed to spend millions more for policemen, prosecutors, judges, and prisons. Through the wide range of self-help measures, you mobilized all the resources of home, neighborhood, and community for the battle against drug smugglers and their criminal associates. And in doing all this, you tapped the real strength of our political system—the spirit, energy, and will of everyday people who, acting through their private social institutions as well as their political system, achieved far more than any government planner or bureaucratic dreamer could ever hope to achieve.

Now, this is not to say the battle is won. The influx of drugs into south Florida and other areas of the Nation is still a serious problem. Much of the work against this menace lies ahead of us. But the measure of your initial success here is not just found in the statistics that I cited. The measure of that success is also found in what we at the Federal level, inspired by your example and your leadership, are now setting out to do.

A month ago in Washington, I was pleased to announce a sweeping, nationwide anticrime initiative developed by Attorney General William French Smith, based largely on the example that was set by you who are responsible for the South Florida Task Force. This initiative will establish 12 new regional task forces which, like yours, bring together all our resources to combat the major drug traffic and the crime problems in those areas. It'll bring a thousand new investigators to the fight against illegal drugs and other forms of organized crime. It will also increase the ranks of Federal prosecutors by 200, a significant increase over the current strength of organized crime's strike forces.

As I've said before, our goal is cracking down not only on the drug trade but on all organized criminal syndicates that have been permitted to exist in America for far too long.

We will soon appoint a Presidential commission on organized crime with a 3-year mandate to conduct region-by-region hearings on the influence and impact of organized crime throughout America.

We're inaugurating a special Governors project to mobilize the Nation's Governors in this battle and to provide for additional cooperation between State and Federal authorities.

We're establishing a new Cabinet-level committee on organized crime and a subcabinet working group to bring together representatives from many Federal agencies and coordinate their work.

We're also establishing a new Federal program in Glynco, Georgia, for advanced training for local and State law enforcement agents in combating the new and more sophisticated forms of crime.

We will open a new legislative offensive to bring about approval for reform in criminal statutes dealing with bail, sentencing, criminal forfeiture, the exclusionary rule, and labor racketeering.

Incidentally, let me just give you an example. Sometimes, hearing that term "the exclusionary rule"—this is a rule—it isn't a law; it's case law. It was a judicial decision once made that now has evidence thrown out of court if they feel there was some technical violation in the way that the evidence was obtained. And I'll give you a classical example of how foolish we can be in our adherence to technicalities.

In my own State of California a few years ago, two narcotics agents had enough evidence to get a search warrant for a home where they believed the man and woman, the husband and wife there, were engaged in the narcotics trade. They came in with their warrant. They searched this house, found nothing. And as they were leaving, on a hunch, one of them turned back to the baby in the crib and looked in his diapers and there was the heroin—the evidence thrown out of court because the baby hadn't given its permission to be searched. And the two—the couple went free.

Well, we're going to have some powerful new weapons now in the battle against organized crime and especially the drug trade.

Finally, new financial resources will be allocated for prison and jail facilities so that the mistake of releasing dangerous criminals because of overcrowded prisons will not be repeated.

Now, there are those, of course, who say the program is too ambitious and who point to failed efforts in the past and predict our certain failure in the future. No government can ever fully eliminate crime or the human impulses that lead to it. But your South Florida Task Force proves that we have the will and the resources to break up organized crime—syndicates that, for too long, have been a terrible blot on our nation's history.

I repeat what I said when I announced this program: Our goal is to break the power of the mob in America and nothing short of it. We mean to end their profits, imprison their members, and cripple their organizations. And if anyone doubts what Federal, State, and local authorities, working with the support of the people, can achieve, let them come to south Florida, to Dade County, and to Miami, and to see here what we've seen today: aroused citizens and responsive officials who mean to make their county, their State, their cities a place where decent, law-abiding people can live without being victimized by career criminals and professional wrongdoers.

We especially need the support of all of you here today for the legislative part of this initiative. During talks with the Justice Department prosecutors in the field, Associate Attorney General Rudy Giuliani reports that doing something about our lax bail and parole system and criminal forfeiture laws is constantly mentioned as effective crime-fighting reforms. I wonder how many of you know that we have already proposed to the Congress reforms in these areas that would make life much tougher for the professional criminal. I wonder how many of you know that parole reform passed the Senate by a vote of 95 to 1, that bail reform passed the Senate by a vote of 95 to 1, and that strengthened criminal forfeiture laws passed the Senate by a vote of 95 to 1. And I wonder how many of you know that in the House of Representatives our crime package has remained bottled up in committee.

The Congress owes it to the American people to act on these proposals and on the rest of our anticrime agenda. Today I ask for your support and the support of the American people in urging the Congress to take immediate action on this program.

I know that support will be forthcoming. What you've done here in south Florida is one example of how seriously the American people take the issue of crime and the

extent to which they're willing to go to do something about it. I'm especially pleased that Senator Paula Hawkins could be with us here today. She's one of the 95.

Now, what you've done here is an inspiration to those of us in Washington and to all of your countrymen. And today on their behalf I want to thank you, promise you our continued support for your efforts to make America's homes and neighborhoods safe again. We're going to get the job done between all of us.

Thank you for being here, and again God bless you all.

Note: The President spoke at 11:45 a.m. in Hangar 741 on Homestead Air Force Base, Fla. He was introduced by Alvah Chapman, chairman of Miami Citizens Against Crime.

Prior to his remarks, the President viewed an exhibit of drugs and other contraband seized during operations of the South Florida Task Force, as well as equipment used in the seizures. The exhibit was mounted in Hangar 741.

Following his remarks, the President left Homestead A.F.B. and returned to Washington, D.C.

Nomination of Henry R. Folsom To Be a Commissioner of the Postal Rate Commission

November 18, 1982

The President today announced his intention to nominate Henry R. Folsom to be a Commissioner of the Postal Rate Commission for the term expiring October 14, 1988. This is a reappointment.

Mr. Folsom is currently serving as Commissioner, Postal Rate Commission. Previously he was consultant to the Water Resources Agency of New Castle County, Del., and also was adjunct professor in urban affairs and public policy, University of Delaware. He was with E.I. du Pont de Nemours & Co. in 1937–1973, where he served in a number of positions including construction engineer, field project manager, and senior process engineer.

He graduated from the University of Delaware (B.S., 1936). He is married and resides in Hockessin, Del. He was born July 19, 1913.

Nomination of David L. Slate To Be General Counsel of the Equal Employment Opportunity Commission

November 18, 1982

The President today announced his intention to nominate David L. Slate to be General Counsel of the Equal Employment Opportunity Commission for a term of 4 years. He would succeed Michael Joseph Connolly.

Since 1974 Mr. Slate has been a partner in the law firm of Morrison & Foerster in San Francisco, Calif. He was manager of consumer products for California Almond Orchards in Bakersfield, Calif., in 1965–1971.

He graduated from San Francisco State University (B.A., 1965) and the University of California Hastings College of Law (J.D., 1974). He is married, has three children, and resides in San Rafael, Calif. He was born January 13, 1942.

Executive Order 12394—Incentive Pay for Hazardous Duty
November 18, 1982

By the authority vested in me as President of the United States of America by Section 301(a) of Title 37 of the United States Code, and in order to define the scope of two categories of hazardous duty, it is hereby ordered as follows:

Section 1. Executive Order No. 11157 of June 22, 1964, as amended, is further amended by striking out subsection (f) of Section 109 of Part I and inserting in lieu thereof the following:

"(f) The term "duty involving frequent and regular participation in flight operations on the flight deck of an aircraft carrier or of a ship other than an aircraft carrier from which aircraft are launched" shall be construed to mean duty performed by members who are designated for and ordered to such duty by competent authority from among the crew of a ship from which aircraft are launched or an aviation unit operating from that type of ship, and who, in any calendar month (1) participate in flight operations on the flight deck during a minimum of four days, or (2) participate, on the flight deck, in a minimum number of aircraft launches or recoveries, or both, that is prescribed by the Secretary concerned as the equivalent of participation under clause (1). No member shall be entitled, however, to receive the pay provided for in this subsection if, during any month or portion thereof, he is also eligible to receive incentive pay for other hazardous duty under the provisions of Section 301 of Title 37, United States Code.

"(g) The term "duty involving the servicing of aircraft or missiles with highly toxic fuels or propellants" shall be construed to mean duty performed by members as a primary duty that requires (1) removal, replacement, and servicing of the emergency power unit of an aircraft with H–70 propellant (30 percent water, 70 percent hydrazine); (2) participation by those personnel performing duties in (g)(1) who must also participate in an emergency response force, spill containment, or spill cleanup involving H–70 propellant (30 percent water, 70 percent hydrazine); (3) handling and maintaining the liquid propellants (liquid oxidizer-nitrogen tetroxide; unsymmetrical dimethyl hydrazine) used in the Titan weapon system, if such duty requires qualification in the use of the Rocket Fuel Handler's Clothing Outfit and involves (A) launch duct operations, including flow, pressurization, on-load, off-load, set-up, or tear down involving propellant transfer operations; (B) set-up, installation or tear down for fuel/oxidizer flow; (C) decontamination of equipment, including, but not limited to the Rocket Fuel Handler's Clothing Outfit; (D) venting or pressurizing missile fuel or oxidizer tanks; (E) removing or replacing missile components while missile fuel and oxidizer tanks are loaded with such propellants; (F) transferring propellants between commercial and military holding trailers, or between holding trailers and fuel/oxidizer pump rooms; or (G) normal preventive maintenance activities including, but not limited to, seal changes; (4) handling and maintaining the propellants, unsymmetrical dimethyl hydrazine and inhibited red-fuming nitric acid, used in the LANCE missile system; or (5) handling and maintaining other toxic substances contained in missile or aircraft weapon system propellants as determined by the Secretary concerned. The entitlement to the pay provided for in this subsection is based upon the performance of such duty which has the potential for accidental or inadvertent exposure to highly toxic fuels or propellants or related substances and not upon actual quantifiable exposure to such substances. Therefore, neither this construction of the term nor the receipt of the pay provided for in this subsection may be construed as indicating that any person entitled to such pay has been actually exposed to highly toxic fuels or propellants or related substances contrary to the provisions of any statute, Executive order, rule, or regulations relating to health or safety which is applicable to the uniformed services.".

Sec. 2. This order shall be effective as of October 1, 1981.

RONALD REAGAN

The White House,
November 18, 1982.

[*Filed with the Office of the Federal Register, 10:30 a.m., November 19, 1982*]

Remarks and a Question-and-Answer Session During a United States Chamber of Commerce Teleconference on Job Training Programs *November 19, 1982*

The President. I appreciate this fine effort by your United States Chamber and the National Alliance of Business. Both your organizations have made major contributions to increasing private sector training and job opportunities for all Americans—especially for those in need.

I understand this program will be beamed to some 37 locations around the country and viewed by corporate and community leaders anxious to make the Job Training Partnership Act a success. Well, that's great news, because I know there's one concern all of us share. While we've made solid progress against the disease that crippled our economy—the runaway inflation, taxes, and interest rates—unemployment remains far too high. It is unacceptable. Our administration's most urgent priority is to see that we have enough jobs for all the people who want to work. We need the strength of every back and the power of every mind if we're to lift our country up again to greatness.

As lower inflation and interest rates began sparking a rebound in bedrock industries, something that's now begun in housing, we will see the job market expanding again. Recovery will come gradually, because we're determined not to repeat the quick-fix mistakes of the past. Our administration intends to build a new kind of recovery, a recovery that will last. But as our program takes hold, we can take action to bring unemployment down faster without igniting the bonfires of high inflation and interest rates.

We can take action to lower structural unemployment and to promote more savings and investment—the keys to stronger growth, more jobs, and a higher standard of living. These initiatives can be taken at the national level, but their success depends on your leadership and support at the grassroots.

When we talk about structural unemployment, we mean the kind of unemployment that is not always cured by a general economic recovery. Our goal is a full-employment economy. So, we must design policies to solve structural unemployment.

For example, 40 percent of the unemployed in America are less than 25 years old, and almost one-half of that group are teenagers. They are unemployed because our labor market is not matching people with jobs. We must find ways to strengthen their skills and to provide new opportunities for prospective workers of all ages as America works to get the investment—or to meet the investment challenge, I should say, of the eighties.

Now, one such initiative, the Job Training Partnership Act, is the subject of this meeting today. I believe this program looks to the future rather than the past. When I signed the legislation last month, I pledged it would not be another bureaucratic boondoggle but would provide help and bring hope. Our aim is training for up to a million unemployed Americans each year in skills they can use in the private sector.

Now, why are we confident this program can succeed when so many others before have failed? Well, the difference is you. This time, you, the private employers of America, will lead, not the Federal Government. The whole idea behind the job-training act is the spirit of new federalism. Private employers will work with Governors

and locally elected officials to ensure a proper balance of activity within the States. With your leadership, the States can plan and carry out a training program that spends our resources the way they should be spent—on training our people. Too often in the past, the bulk of funds set aside for Government job-training programs has been used to pay bureaucrats, not to help the needy. By embarking [earmarking] at least 70 cents of every program dollar for job training, we can eliminate the bureaucratic waste of the past.

No one knows better than private employers the skills today's employees need or how to train them for the sunrise industries that will pioneer products and technologies for tomorrow. Never have we had a greater need for job training in America. So, I'm making an appeal: Please do what you do best—be leaders and help us make this program work.

The Job Training Partnership Act provides you with the opportunity to work locally to explore targeted policies to reduce high youth unemployment. This can include working on ways to improve the transition from school to work, to help those who do not go on to college but who often lack the requisite skills to handle available jobs. Here again, the answer is better training. Not only will this training help the individual, it can reduce the cost to employers of hiring young workers and the long-term unemployed.

We must move forward together on other fronts. In September I signed the Export Trading Company Act, which I know the U.S. Chamber strongly supports. This legislation will increase exports and create trade-related jobs by encouraging formation of trading companies. The idea is already being used against us by our principal competitors. With your help, we'll even up those odds. We'll win back America's reputation as the great Yankee trader.

Our administration will also push in the lameduck session for passage of our enterprise zones initiative. This bill can revive the most impoverished areas of America, provide new incentives to develop business and create jobs. In a time of high unemployment, there is no excuse for further delay on enterprise zones. We must not slam shut the doors of opportunity on those who look to us for help.

None of these actions would take us back to the inflationary, make-work programs of the past. But they would help us lower structural unemployment. Still, let's remember the other solution we need, the long-term cure that will make America more competitive, more productive, better equipped to provide good jobs and a higher standard of living for our people. That's the power of investment. Savings finance investment and investment creates growth. But during the last decade in America, we saved and invested at less than half the rate of our major competitors. The investment challenge is America's challenge for the eighties.

Our program of tax incentives has begun to correct the savings and investment gap. But the program represents a mere downpayment on what needs to be done. America can and must do better. So, let me make something plain: We don't need fewer incentives for people and more spending by government; we need less spending by government and more opportunity for the American people. And that's the direction I intend to go.

Practically all the talk in Washington is about what government will do to the taxpayers. Well, it's time we got back to a dialog about what government can do for the taxpayers. We cannot create jobs and reduce projected deficits on the backs of hard-working American families. We must have an agenda of incentives for growth. Growth is the answer for America.

You know, the spirit of the American Revolution was born in an idea that remains true for all time. If freedom and opportunity are to flourish, limits must be placed on the size and authority of government. But no limit must be placed on the ability of any man or woman to reach for the stars, to go as far as their God-given talents will take them.

We came to Washington to revive the spirit of the American Revolution. Some are saying our work is already done. Well, I would answer, "We have barely begun." With your help, we will put the age of inflation behind us and bring a new age of op-

portunity and progress to America's doorstep.

And now, Meryl, I'll quit talking long enough to field some questions from your listeners.

Ms. Comer. Thank you, Mr. President. Let's move to Charlotte, North Carolina, where our first caller is Wally Jorgenson.

Mr. Jorgenson, you're on the line.

Mr. Jorgenson. Thank you. Mr. President, the unemployment rate is presently 10.4 percent. There are over 11,600,000 people out of work. What can a training program do to reduce unemployment when there are so few jobs available?

The President. Well, Wally, maybe there are more jobs available than we realize. You know, when I was talking about structural unemployment, I think you should know that in the last couple of years, just 2 years, 3 million of those 11 million unemployed were newcomers into the job market, and there were no jobs available for them. But take a look on any given Sunday to a metropolitan newspaper. I've been doing it here with the Washington papers. I've been doing it with my hometown paper, the Los Angeles Times. And just a couple of weeks ago, the Washington paper had 34 full pages of help wanted ads, and the Los Angeles paper had 52 such pages. This is true in most metropolitan areas on any given Sunday.

Now, these are employers advertising for employees. And the reason those jobs are open is because there aren't people with the training or experience to fill those jobs. This is why our program is aimed at being implemented at the local level with your help, with business people out there and local officials aiming the jobs or the job training at the jobs that are open in those communities.

Ms. Comer. Mr. President, we're now going to go to your home State, go out to Los Angeles, California. We have on the line Willard G. Carr, Jr.

Mr. Carr, go ahead, please.

Mr. Carr. Mr. President, Willard Carr, chairman of the board and CEO of the Los Angeles Chamber of Commerce and a partner in Gibson, Dunning, Krutcher law firm.

Mr. President, the Job Training Partnership Act calls for a much greater involvement of the private sector in employment programs. Do you believe that the private sector will step up to this challenge?

The President. Yes, I do, because, as a matter of fact, over a period of time, the private sector has been spending about $30 billion on job training, on-the-job training, as well as other programs of that kind. I know that a number of communities across the country, the private sector has—and with, we think, some encouragement from our private initiative sector—has started such programs themselves. And what we want to do is simply help.

We want to spread the word about successful programs to other communities. And I am convinced that from what I've seen so far the private sector out there is just simply waiting for someone to point a finger in a direction that they can go to further improve things.

Ms. Comer. Mr. President, our next caller is from Pittsburgh, Pennsylvania. He is Donald Clay.

Mr. Clay?

Mr. Clay. Good morning, Mr. President. This act has been called a first step in the new federalism, because it gives Governors substantially greater authority. Based on your experience as Governor of California, do you believe States are prepared for this increased responsibility?

The President. Yes, I do. And let me tell you why I do. When I was Governor, many of the Federal programs that were sent to us came so encumbered with redtape and specific declarations of how we had to implement those programs that we found there was an ignoring on the part of the Federal Government of what our priorities might be. This is a great, diverse country, and we found that if we had had more say in directing that Federal aid, we not only could have saved money, we could have been more efficient, more effective.

I have talked to a mayor not too long ago who was telling about a Federal program that had to do with the handicapped and the buses in his city. And he said the program that was dictated to him by the Federal Government was so expensive that for less money than that, with regard to what he had to do with his buses, he could have

afforded to send every handicapped person any place they wanted to go in taxicabs.

Yes, we have tried over the years. When I say "we," let me change that. The Federal Government over the years, in the past, has tried to reduce the States to mere administrative districts of the Federal Government. But we're a federation of sovereign States, and I am fully confident that at the local and the State level they are better equipped to know what their priorities are and how best to approach them, and that's why we have been changing as rapidly as we can persuade Congress to do it—specific grants from the Federal Government to block grants, giving the States that leeway.

Ms. Comer. Mr. President, let's now move to Louisville, Kentucky, where your caller is Miss Elaine Musselman.

Ms. Musselman. This is Cissy Musselman, president of the Louisville Area Chamber of Commerce and managing director of Harrison Company, insurance agency.

Mr. President, this law provides for training unemployed people. The enterprise zone plan calls for developing jobs in areas where unemployment is highest. Do you expect the enterprise zone legislation to pass the new Congress?

The President. Yes, but I could use all your help, Cissy—all of you there—to let the Congress know. This has been a long time now, about a year, before the Congress, and it needs to be acted upon. As a matter of fact—and this partly answers the previous question also—the Governor of Louisiana has stoppped waiting for the Federal Government and at the State level has instituted an enterprise zone act or program down there that's working just fine.

And this program is one that there is no cost. There are tax incentives involved for both individuals and for business, businesses that will come into those enterprise zones. But those tax incentives aren't costing anything either, because right now we're not getting tax from those zones. The local government isn't getting property tax, because most of the property there has been taken over by the government for nonpayment of taxes. It's been abandoned. The individuals are not only not paying tax, but most of them are already wards of the government by way of our very many social welfare programs.

So, it benefits us to offer these incentives while those people stop being wards of the government, become useful employees and while businesses start up there that otherwise would not come in to take advantage of the available labor and those tax advantages.

Ms. Comer. Mr. President, let's move on to New Orleans, Louisiana, where we have on the line Harry McCall.

Mr. McCall?

Mr. McCall. Good morning, Mr. President, I am chairman-elect of the Chamber of Commerce of New Orleans and the River Region, and I would like to ask you, if I may, whether spending this money on public service employment would not create more jobs and be a better investment of public funds.

The President. Mr. McCall, as a former Governor, let me tell you that while there were some programs—some of the CETA programs and so forth—that served a useful purpose, at a much higher cost I might say, a higher percentage of the dollars in administrative overhead than will be devoted to that in this program. Those programs that I speak of as having served a useful purpose were for the most part the programs that did involve training for the private sector. We found in California, in our experience, that too many of these jobs creating public employment became boondoggles. They just simply padded the rolls of the various levels of government with excess employees. And then if the program came to an end, it was either the local government and the taxpayers who had to then carry, keep on these excess employees, or they had to be dismissed. And they had not been trained, again, for the real jobs with a future that are out there in the private sector.

So, no, I don't believe that taking on added employees or training for public service is equal to training people for the jobs that are open and waiting out there for skilled and experienced employees.

Ms. Comer. Mr. President, waiting out there in Bloomington, Minnesota—I don't know if they're snowed in yet—is Bill Queenan.

Mr. Queenan?

Mr. Queenan. Mr. President, this is Bill Queenan, president of the Northwestern National Bank in Bloomington, Minnesota, and a vice president of the Bloomington Chamber of Commerce.

Mr. President, this act has a program for training displaced workers, those workers who, in many instances, have been laid off because of foreign competition. Do you see this program helping American workers become more productive and better able to compete with workers from other countries?

The President. Yes, I do. And incidentally, I can't resist saying that my first time to ever visit your State was to broadcast an Iowa-Minnesota football game. But, I do believe this, because part of the structural employment problem has to do also with jobs that won't exist for those who have been laid off anymore, that there have been changes in the makeup of work here in our country—modernization in certain plants in which the jobs will no longer be necessary. And these workers must be retrained for the other kind of jobs that are coming on line in this changing economy of ours. And, so, that is very definitely an important part of the program and an important responsibility.

When I keep saying "structural," what I really mean is that if the recession ended tomorrow, there would still be a higher unemployment problem than we've been used to in the past because of the increased influx into the job market of workers, or the percentage of adults who are seeking work, and because of these people whose jobs have just been technologically wiped out. And we must meet that problem, too.

Ms. Comer. Mr. President, you've been very generous with your time. That's all the time we have for calls. I'd like to extend a thank you from the U.S. Chamber of Commerce and the National Alliance of Business for taking the time to join us today for this 2-hour program.

Note: The President spoke at 11:40 a.m. from the Washington, D.C., studios of the Teleconference Center of the U.S. Chamber of Commerce. Ms. Comer was moderator of the program, which was sponsored by the Chamber of Commerce and the National Alliance of Business.

Recess Appointment of Jean Broward Shevlin Gerard as United States Representative to the General Conference of the United Nations Educational, Scientific and Cultural Organization

November 19, 1982

The President today granted a recess appointment to Jean Broward Shevlin Gerard to be the Representative of the United States of America to the General Conference of the United Nations Educational, Scientific and Cultural Organization.

She has been an attorney with the law firm of Cadwalader, Wickersham & Taft in New York City since 1977. She graduated from Vassar College (A.B., 1959) and Fordham University School of Law (J.D., 1977). She was editor of the Fordham International Law Forum. Her foreign languages are French, German, and Italian.

She is married, has two children, and resides in New York, N.Y. She was born March 9, 1938.

Recess Appointment of James Daniel Phillips as United States Alternate Representative to the General Conference of the United Nations Educational, Scientific and Cultural Organization

November 19, 1982

The President today granted a recess appointment to James Daniel Phillips to be the Alternate Representative of the United States of America to the General Conference of the United Nations Educational, Scientific and Cultural Organization.

He is currently serving as Office Director for Communications and UNESCO Affairs at the Bureau of International Organization Affairs. Mr. Phillips entered the Foreign Service in 1961 and has served in France, Zaire, Luxembourg, and Gambia as well as in the Department of State in Washington. In 1980 he served as a political adviser and member of the U.S. Delegation to the United Nations Conference on Women in Copenhagen, Denmark.

He graduated from the University of Kansas at Wichita (B.A., 1957; M.A., 1958). His foreign languages are French and German. He resides in Washington, D.C., and was born February 23, 1933.

Remarks Following a Performance of the Lipizzaner Horses of the Spanish Riding School of Vienna, Austria

November 19, 1982

The President. Ladies and gentlemen, I think all of you join me in thanking our friends from Austria in bringing this wonderful group here.

As you know, they are touring the United States with these magnificent Lipizzaner horses. And we have only seen just a tiny bit of what they actually do in their exhibitions, partly due to the soft ground here. Mr. Sallinger, who's the president of the Chamber of Commerce in Austria, is responsible for not only this display, but that magnificent stallion, Amadeus, is a gift to the people of the United States by way of Mr. Sallinger and will remain here when they have finished their tour and go home. Ambassador, Mrs. Klestil, we are pleased and proud to be a part of this.

I don't know how many Americans realize, but the Ambassador and Mr. Sallinger just reminded me a few moments ago, and you should know, maybe it is—well, it is particularly fitting that this is the first time this has ever happened on the White House lawn.

[*At this point, the President was interrupted when the horses whinnied.*]

Just a minute! [*Laughter*] I know I'm talking too long. I'll make it short.

But we did play a part in the continuation of this ancient institution, this school of riding, and the continuation of the Lipizzaner horses. And in the great tragedy of World War II, it was the late General Patton, knowing of them and being a lover of the horse himself, who smuggled these horses away and saved them, preserved them so that they could then be given back to Austria when the war was over, and that this great institution would continue.

We're grateful to all of you for being here, for this fine exhibition, and more grateful than I can say for this gift to the people of America, symbolic of the great friendship between our two peoples.

Amadeus, you keep your ears up there and you can go ahead and shout all you want to now. [*Laughter*]

Thank you.

Mr. Sallinger. Mr. President, ladies and gentlemen, as representative of the Austrian economy and of Austrian business, it's a great pleasure to me to have brought this white horse to the White House. And this

horse symbolizes the gratitude that the Austrian economy owes to the United States for your generous support to bring us freedom and to bring us a free and efficient economy after World War II.

I also recall fondly how these horses were saved by General Patton. And, Mr. President, this horse is a personal gift to you, as well as a gift to all of the American people.

Thank you very much.

Note: The President spoke at 2:40 p.m. on the South Lawn of the White House. In his remarks he referred to Dr. Thomas Klestil, Austrian Ambassador to the United States. Rudolph Sallinger, president of the Austrian Chamber of Commerce, spoke in German, and his remarks were translated by an interpreter.

Radio Address to the Nation on International Free Trade
November 20, 1982

My fellow Americans:

I've talked to you on a number of occasions about the economic problems and opportunities our nation faces. Well, as you've probably heard on news reports, America's problems are not unique. Other nations face very severe economic difficulties. In fact, both developed and developing countries alike have been in the grip of the longest worldwide recession in postwar history. And that's bad news for all of us. When other countries don't grow, they buy less from us, and we see fewer jobs created at home. When we don't grow, we buy less from them, which weakens their economies and, of course, their ability to buy from us. It's a vicious cycle.

You can understand the danger of worldwide recession when you realize how much is at stake. Exports account for over 5 million jobs in the United States. Two out of every five acres planted by American farmers produce crops for exports. But because of their recessions, other countries are buying fewer American farm products than last year. Our farmers are hurting—and they're just one group.

So, we are trying to turn this situation around. We're reminding the world that, yes, we all have serious problems. But our economic system—based on individual freedom, private initiative, and free trade—has produced more human progress than any other in history. It is in all of our interests to preserve it, protect it, and strengthen it.

We are reminding our trading partners that preserving individual freedom and restoring prosperity also requires free and fair trade in the marketplace. The United States took the lead after World War II in creating an international trading and financial system that limited governments' ability to disrupt free trade across borders. We did this because history had taught us an important lesson: Free trade serves the cause of economic progress, and it serves the cause of world peace.

When governments get too involved in trade, economic costs increase and political disputes multiply. Peace is threatened. In the 1930's, the world experienced an ugly specter—protectionism and trade wars and, eventually, real wars and unprecedented suffering and loss of life.

There are some who seem to believe that we should run up the American flag in defense of our markets. They would embrace protectionism again and insulate our markets from world competition. Well, the last time the United States tried that, there was enormous economic distress in the world. World trade fell by 60 percent, and young Americans soon followed the American flag into World War II.

I'm old enough and, hopefully, wise enough not to forget the lessons of those unhappy years. The world must never live through such a nightmare again. We're in the same boat with our trading partners. If one partner shoots a hole in the boat, does it make sense for the other one to shoot another hole in the boat? Some say, yes, and call that getting tough. Well, I call it

stupid. We shouldn't be shooting holes; we should be working together to plug them up. We must strengthen the boat of free markets and fair trade so it can lead the world to economic recovery and greater political stability.

And here's how we're working to do that: We insist on sound domestic policies at home that bring down inflation, and we look to others for no less in their own economies. The International Monetary Fund, the institution that deals with world financial issues, seeks to encourage its member countries to follow sound domestic policies and avoid government restrictions on international trade and investment to foster economic development and raise their people's standard of living.

We remind other countries that as the U.S. helps to lead the world out of this recession, they will benefit as we buy more goods from them. This will enable them to grow and buy more goods from us. And that will mean more jobs all around. That is the way of free markets and free trade. We must resist protectionism because it can only lead to fewer jobs for them and fewer jobs for us.

In just 4 days, the Trade Ministers of virtually all the free world countries will meet in Geneva, Switzerland. They will seek ways to surmount challenges to the integrity of our international economic system. We were instrumental in convening this international meeting because we believe strongly that our trading system is at a crossroads. Either free world countries go forward and sustain the drive toward more open markets, or they risk sliding back toward the mistakes of the 1930's and succumbing to the evils of more and more government intervention. And this is really no choice at all.

The United States will reject protectionist and defeatist proposals. Instead, we will set new goals and lay out a program for limiting government intervention in world markets. We will lead with a clear sense of our own commercial interests and a quiet determination to defend these interests. We will take actions at home and abroad which enhance the ability of United States industries to compete in international trade.

Let no one misunderstand us. We're generous and farsighted in our goals, and we intend to use our full power to achieve these goals. We seek to plug the holes in the boat of free markets and free trade and get it moving again in the direction of prosperity. And no one should mistake our determination to use our full power and influence to prevent others from destroying the boat and sinking us all.

That's how the United States is working in the world on behalf of freedom, economic prosperity, and peace.

I'll be back again next week. Thanks for listening. God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, Md.

Executive Order 12395—International Private Enterprise Task Force

November 20, 1982

By the authority vested in me as President by the Constitution and the statutes of the United States of America, and in order to establish, in accordance with the provisions of the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), an advisory committee on the role of private enterprise in international economic development, it is hereby ordered as follows:

Section 1. Establishment. (a) There is established the International Private Enterprise Task Force. The Task Force shall be composed of no more than twenty-one members who shall be appointed by the President from among leaders in the private sector. Members will be chosen primarily from the chief operating or chief executive officers of private enterprises, in-

cluding agribusinesses.

(b) The President shall designate a Chairman and Vice Chairman from among the members of the Task Force.

Sec. 2. Functions. (a) The Task Force shall advise the President, the Director of the United States International Development Cooperation Agency, and the Administrator of the Agency for International Development with respect to the role private enterprise can play in the implementation of programs and activities under the Foreign Assistance Act of 1961, as amended.

(b) The Task Force shall advise on the involvement of specific private enterprises in such programs and activities.

Sec. 3. Administration. (a) The heads of Executive agencies shall, to the extent permitted by law, provide the Task Force with such information as may be necessary for the effective performance of its functions.

(b) Members of the Task Force shall serve without any compensation for their work on the Task Force. However, they may be allowed transportation and travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 5701–5707).

(c) The Agency for International Development shall provide the Task Force with such administrative services, funds, facilities, staff and other support services as may be necessary.

Sec. 4. General Provisions. (a) Notwithstanding the provisions of any other Executive Order, the responsibilities of the President under the Federal Advisory Committee Act, as amended, except that of reporting annually to the Congress, which are applicable tc the Task Force established by this Order, shall be performed by the Administrator of the Agency for International Development in accordance with guidelines and procedures established by the Administrator of General Services.

(b) In accord with the Federal Advisory Committee Act, as amended, the Task Force shall terminate on December 31, 1982, unless sooner extended.

RONALD REAGAN

The White House,
November 20, 1982.

[*Filed with the Office of the Federal Register, 11:13 a.m., November 23, 1982*]

Note: The text of the Executive order was released by the Office of the Press Secretary on November 22.

Nomination of Harry N. Walters To Be Administrator of Veterans Affairs

November 22, 1982

The President today announced his intention to nominate Harry N. Walters to be Administrator of Veterans Affairs. He would succeed Robert P. Nimmo.

Mr. Walters has been serving as Assistant Secretary of the Army (Manpower and Reserve Affairs), Department of Defense, since June 1981. Mr. Walters was president and chief executive officer of Potsdam Paper Corp. in Potsdam, N.Y., in 1977–1981; management consultant, Howard Paper Mills, Inc., Dayton, Ohio, in 1976–1977; executive vice president and chief operating officer of the Standard Paper Manufacturing Co., Richmond, Va., in 1975–1976; national sales and marketing manager, Plainwell Paper Co., in 1971–1973; and accounts manager for publication papers, Kimberly Clark Corp., in 1969–1971.

He graduated from the United States Military Academy, West Point, N.Y. (B.S., 1959), where he was fullback on the last undefeated Army football team and received honorable mention, All-American honors. He served in the United States Army from 1959 to 1962. From 1960 to 1962, he served in Hawaii and Thailand with the First Battle Group, 35th Infantry, 25th Infantry Division. He then served in the U.S. Army Reserves from November 1962 to April 1968. In 1963–1964 he served

in the U.S. Army Reserves Special Forces. The remainder of his tenure in the Army Reserves was spent in Ready Reserves.

He is married, has two children, and resides in McLean, Va. He was born July 4, 1936.

Statement on Deployment of the MX Missile
November 22, 1982

For nearly 2 years my administration has examined the matter of the MX missile, the development of which has been supported by my three immediate predecessors, Presidents Carter, Ford, and Nixon. We all have strongly agreed that strengthening our land-based missile system is absolutely essential to maintain America's deterrent capability to deter war and to protect our nation.

I have sought the counsel of my predecessors, the opinion of Members of Congress, and the advice of the best technical and scientific minds in the field. My administration, as well as the ones before it, has examined a wide variety of options, including smaller or bigger missiles, the development of one missile for common use on land or at sea, and the possibility of greater mobility. And, like the preceding administrations, we have concluded that MX is the right missile and that now is the time.

Deciding how to deploy the missile has not been that easy. A variety of basing modes has been studied by previous administrations and by ours. The concept of deceptive basing, as employed in previous planning, was a fundamentally sound one for assuring the stability of land-based ICBM forces in times of crisis. It complied with our strategic arms control objectives. Other sensible growth options were studied as well. As these plans progressed through the two previous administrations, however, they grew enormously in cost. Not only was the financial cost high—$40–$50 billion—but the cost of our western citizens in terms of water, land, social disruption, and environmental damage seemed unreasonable.

For these reasons, we considered other approaches while proceeding with the development of the MX missile itself. The missile work is now nearly complete. The first test flight is scheduled for early next year. While test flights are just that—tests—I have no doubts about the technical success, in fact excellence, of this missile.

In reexamining how to base the missiles, we concluded that by pulling the launch sites much closer together and making them a great deal harder, we could make significant savings. We would need fewer silos, much less land, and in fact fewer missiles. We would achieve a system that could survive against the current and projected Soviet rocket inventory. Deployment of such a system would require the Soviets to make costly new technical developments if they wish to even contemplate a surprise attack. Most of the Soviet countermeasures proposed are really no more than technical dreams on which no Soviet planner or politician would bet the fate of his country. Thus, Closely Spaced Basing is a reasonable way to deter attack—which is our objective.

Now let me outline our overall plan for our ICBM force.

First, we recognize that the best survivability, and thus the best deterrence, lies in the modernization of all three legs of the Triad: submarines, bombers, and land-based ballistic missiles. Each gains security as all are rendered less susceptible to technological or operational surprise.

Second, we are closing down our force of huge Titan missiles at the rate of one missile every month or two. Their immense warheads and antiquated fuels have no place in our current inventory.

Third, we will maintain an appropriate Minuteman force, but many of these could be removed if we reach agreement with the Soviets on strategic arms reductions.

And fourth, we plan to produce the MX missile, now named "Peacekeeper," and deploy it in superhard silos at Francis E.

Warren Air Force Base, near Cheyenne, Wyoming.

That seems to be the most cost-effective location, but I appreciate the enthusiastic offers by the citizens of Nevada to base the missile in their State.

We will emplace 100 of these missiles (versus the 200 in some of the earlier plans) in launch canisters which can be moved, if necessary, between closely spaced superhard silos. We plan to build only 100 such silos, but we will design the system so that we can add more silos later, again within the confines of a small land area, if the Soviets will not agree to strategic arms reductions, or if they persist in the development and production of more powerful and deadly weapons. We would prefer that the Soviets dismantle SS–18's, rather than we build more holes. But we can accommodate either and maintain stability.

As far as an active defense is concerned, we do not wish to embark on any course of action that could endanger the current ABM treaty so long as it is observed by the Soviet Union. Likewise, we do not wish to build even the minimal ABM system allowed us by the treaty, even though the Soviets have done so.

We plan to continue research on ballistic missile defense technology—the kind of smart, highly accurate, hopefully nonnuclear, weapons that utilize the microelectronic and other advanced technologies in which we excel. The objective of this program is stability for our ICBM forces in the nineties, a hedge against Soviet breakout of the ABM treaty, and the technical competence to evaluate Soviet ABM developments. We currently have no plan to deploy any ballistic missile defense system.

The entire missile and basing program will cost about $26 billion in 1982 dollars, commencing with this fiscal year. That's a reduction by half, both in cost and in numbers of missiles deployed, from the other plans on the drawingboards when I entered office. The ongoing ballistic missile defense research and development will cost about $2.5 billion. Both of these programs are already reflected in the FY 83 budget projections, but the specific decisions announced today allow us to proceed with the reductions from my February budget request for this year of a billion dollars, which we have so carefully worked out with the Congress.

Continuity of effort in national security affairs is essential. Turbulence is wasteful beyond words. These programs to increase the stability and security of our strategic nuclear forces are urgently needed. The planning by my predecessors made them possible, but it is for my successor that I make these decisions. With every effort, the Peacekeeper missile still will not be fully deployed until the late 1980's, when yet another President shoulders these burdens.

I urge the Congress, and all Americans, to support this program, developed under several Presidents: those in the past who conceived and urged the deployment of MX and the current President, who has made these difficult decisions. It is only by such steadfastness of purpose that we can maintain the peace which every nation needs to work out the hopes and dreams of its own people.

Letter to Members of Congress on Deployment of the MX Missile
November 22, 1982

For many years, U.S. strategic forces have helped protect our Nation and the Free World by providing a capable and effective deterrent. Maintenance of these forces has historically enjoyed broad bipartisan support.

In recent years, our deterrent has become increasingly vulnerable in the face of a relentless Soviet military buildup. As part of our program to modernize the U.S. deterrent, I asked last year that you support improving the capability and survivability of the land-based component of our strategic forces by authorizing development and

deployment of the MX intercontinental ballistic missile. I also agreed earlier this year to provide you with a permanent basing decision by December 1.

In response to this requirement, the Department of Defense forwarded to me a series of basing options, with associated analyses of technical, environmental, arms control, and other factors. I have also received the counsel of my senior advisers, former Presidents and Administration officials, and Members of Congress. After careful study, I have decided to emplace 100 MX missiles, now known as "Peacekeeper," in superhard silos in a closely-spaced basing mode at Francis E. Warren Air Force Base near Cheyenne, Wyoming. Given Congressional support, these missiles will have an initial operational capability late in 1986. I am prepared also to consider deception and possibly ballistic missile defense, which are options if the Soviet Union continues its military buildup.

We all hope, however, that the Soviets will join us in seeking meaningful progress in arms control negotiations. This MX decision supports and complements the U.S. approach to arms control. While the U.S. must and will improve its forces to maintain a credible deterrent, we remain fully commited to our standing proposals for significant reductions in both sides' nuclear arsenals. We seek to reduce ballistic missiles by about one-half and ballistic missile warheads by about one-third.

Under separate cover, I am sending you a copy of my full statement on the decision outlined above. I ask that you keep an open mind on this complex and important question and permit the Administration to make its case for the decision. We are prepared to respond, at your convenience, to formal and informal requests for additional information that you may desire. I look forward to receiving your counsel and assistance as we work toward our common goal of improving the security of our Nation.

Sincerely,

RONALD REAGAN

Note: As printed above, this item follows the text of the letter released by the Office of the Press Secretary.

Letters were also sent to the Speaker of the House of Representatives and the President of the Senate notifying them of the deployment decision.

Nomination of Donald L. Dotson To Be a Member of the National Labor Relations Board, and Designation as Chairman

November 22, 1982

The President today announced his intention to nominate Donald L. Dotson to be a member of the National Labor Relations Board for the term of 5 years expiring December 16, 1987. He would succeed John Harold Fanning. He will be designated Chairman upon appointment.

Mr. Dotson has been serving as Assistant Secretary of Labor for Labor Management Services since 1981. He was chief labor counsel for the Wheeling-Pittsburgh Steel Corp. in 1976–1981; labor attorney, Western Electric Co., Inc., corporate headquarters, in 1975–1976; and labor counsel for Westinghouse Electric Corp. and subsidiaries in 1973–1975. He served as an attorney for the National Labor Relations Board in 1968–1973.

He graduated from the University of North Carolina (B.A., 1960) and Wake Forest University (J.D., 1968). He has two children and resides in Pittsburgh, Pa. He was born October 8, 1938.

Nomination of Patricia Diaz Dennis To Be a Member of the National Labor Relations Board

November 22, 1982

The President today announced his intention to nominate Patricia Diaz Dennis to be a member of the National Labor Relations Board for the remainder of the term expiring August 27, 1986. She would succeed John R. Van de Water.

Since 1979 she has been serving as assistant attorney general for the American Broadcasting Co. She was an attorney for the American Broadcasting Co. in 1978–1979, attorney for Pacific Lighting Co. in 1976–1978, and associate attorney with Paul, Hastings, Janofsky & Walker in 1973–1976.

She graduated from the University of California at Los Angeles (A.B., 1970) and Loyola University of Los Angeles School of Law (J.D., 1973). She is married, has two children, and resides in Los Angeles, Calif. She was born October 2, 1946.

Nomination of John Carl Miller To Be General Counsel of the Federal Labor Relations Authority

November 22, 1982

The President today announced his intention to nominate John Carl Miller to be General Counsel of the Federal Labor Relations Authority for a term of 5 years. He would succeed H. Stephan Gordon.

He has been serving as Chief Counsel to the Chairman of the National Labor Relations Board since 1981. Previously he served in the following positions: Administrative Law Judge, National Labor Relations Board, in 1977–1981; Solicitor, National Labor Relations Board, in 1972–1977; minority counsel, House Education and Labor Committee, in 1971–1972; supervisory attorney on the staff of Howard Jenkins in 1963–1971; and attorney-adviser for the National Labor Relations Board in 1959–1963.

He graduated from Bowling Green State University (B.A., B.S., 1950) and Georgetown Law School (LL.B., 1955; LL.M., 1957). He resides in Rockville, Md. He was born April 18, 1926.

Address to the Nation on Strategic Arms Reduction and Nuclear Deterrence

November 22, 1982

Good evening.

The week before last was an especially moving one here in Washington. The Vietnam veterans finally came home once and for all to America's heart. They were welcomed with tears, with pride, and with a monument to their great sacrifice. Many of their names, like those of our Republic's greatest citizens, are now engraved in stone in this city that belongs to all of us. On behalf of the Nation, let me again thank the Vietnam veterans from the bottom of my heart for their courageous service to America.

Seeing those moving scenes, I know mothers of a new generation must have worried about their children and about peace. And that's what I'd like to talk to you about tonight—the future of our children in a world where peace is made

uneasy by the presence of nuclear weapons.

A year ago, I said the time was right to move forward on arms control. I outlined several proposals and said nothing would have a higher priority in this administration. Now, a year later, I want to report on those proposals and on other efforts we're making to ensure the safety of our children's future.

The prevention of conflict and the reduction of weapons are the most important public issues of our time. Yet, on no other issue are there more misconceptions and misunderstandings. You, the American people, deserve an explanation from your government on what our policy is on these issues. Too often, the experts have been content to discuss grandiose strategies among themselves and cloud the public debate in technicalities no one can understand. The result is that many Americans have become frightened. And let me say, fear of the unknown is entirely understandable. Unfortunately, much of the information emerging in this debate bears little semblance to the facts.

To begin, let's go back to what the world was like at the end of World War II. The United States was the only undamaged industrial power in the world. Our military power was at its peak, and we alone had the atomic weapon. But we didn't use this wealth and this power to bully; we used it to rebuild. We raised up the war-ravaged economies, including the economies of those who had fought against us. At first, the peace of the world was unthreatened, because we alone were left with any real power, and we were using it for the good of our fellow man. Any potential enemy was deterred from aggression because the cost would have far outweighed the gain.

As the Soviets power grew, we still managed to maintain the peace. The United States had established a system of alliances, with NATO as the centerpiece. In addition, we grew even more respected as a world leader with a strong economy and deeply held moral values.

With our commitment to help shape a better world, the United States also pursued, and always pursued, every diplomatic channel for peace. And for at least 30 years after World War II, the United States still continued to possess a large military advantage over the Soviet Union. Our strength deterred—that is, prevented—aggression against us.

This nation's military objective has always been to maintain peace by preventing war. This is neither a Democratic nor a Republican policy. It's supported by our allies. And most important of all, it's worked for nearly 40 years.

What do we mean when we speak of "nuclear deterrence"? Certainly, we don't want such weapons for their own sake. We don't desire excessive forces or what some people have called "overkill." Basically, it's a matter of others knowing that starting a conflict would be more costly to them than anything they might hope to gain. And, yes, it is sadly ironic that in these modern times, it still takes weapons to prevent war. I wish it did not.

We desire peace. But peace is a goal, not a policy. Lasting peace is what we hope for at the end of our journey; it doesn't describe the steps we must take nor the paths we should follow to reach that goal.

I intend to search for peace along two parallel paths: deterrence and arms reductions. I believe these are the only paths that offer any real hope for an enduring peace.

And let me say I believe that if we follow prudent policies, the risk of nuclear conflict will be reduced. Certainly, the United States will never use its forces except in response to attack. Through the years, Soviet leaders have also expressed a sober view of nuclear war. And if we maintain a strong deterrent, they are exceedingly unlikely to launch an attack.

Now, while the policy of deterrence has stood the test of time, the things we must do in order to maintain deterrence have changed. You often hear that the United States and the Soviet Union are in an arms race. Well, the truth is that while the Soviet Union has raced, we have not. As you can see from this blue U.S. line,[1] in constant

[1] *At this point and during later portions of the address, the President referred to charts which could be seen by the television audience.*

dollars, our defense spending in the 1960's went up because of Vietnam. And then it went downward through much of the 1970's. And now follow the red line, which is Soviet spending. It's gone up and up and up. In spite of a stagnating Soviet economy, Soviet leaders invest 12 to 14 percent of their country's gross national product in military spending—two to three times the level we invest.

I might add that the defense share of our United States Federal budget has gone way down, too. Watch the blue line again. In 1962, when John Kennedy was President, 46 percent, almost half of the Federal budget, went to our national defense. In recent years, about one quarter of our budget has gone to defense, while the share for social programs has nearly doubled. And most of our defense budget is spent on people, not weapons.

The combination of the Soviets spending more and the United States spending proportionately less changed the military balance and weakened our deterrent. Today, in virtually every measure of military power, the Soviet Union enjoys a decided advantage.

This chart shows the changes in the total number of intercontinental missiles and bombers. You will see that in 1962 and in 1972, the United States Forces remained about the same—even dropping some by 1982. But take a look now at the Soviet side. In 1962, at the time of the Cuban missile crisis, the Soviets could not compare with us in terms of strength. In 1972, when we signed the SALT I treaty, we were nearly equal. But in 1982—well, that red Soviet bar stretching above the blue American bar tells the story.

I could show you chart after chart where there's a great deal of red and a much lesser amount of U.S. blue. For example, the Soviet Union has deployed a third more land-based intercontinental ballistic missiles than we have. Believe it or not, we froze our number in 1965 and have deployed no additional missiles since then.

The Soviet Union put to sea 60 new ballistic missile submarines in the last 15 years. Until last year, we hadn't commissioned one in that same period.

The Soviet Union has built over 200 modern backfire bombers and is building 30 more a year. For 20 years, the United States has deployed no new strategic bombers. Many of our B–52 bombers are now older than the pilots who fly them.

The Soviet Union now has 600 of the missiles considered most threatening by both sides—the intermediate-range missiles based on land. We have none. The United States withdrew its intermediate-range land-based missiles from Europe almost 20 years ago.

The world has also witnessed unprecedented growth in the area of Soviet conventional forces. The Soviets far exceed us in the number of tanks, artillery pieces, aircraft, and ships they produce every year. What is more, when I arrived in this office, I learned that in our own forces we had planes that couldn't fly and ships that couldn't leave port mainly for lack of spare parts and crewmembers.

The Soviet military buildup must not be ignored. We've recognized the problem and, together with our allies, we've begun to correct the imbalance. Look at this chart of projected real defense spending for the next several years. Here is the Soviet line. Let us assume the Soviets rate of spending remains at the level they've followed since the 1960's. The blue line is the United States. If my defense proposals are passed, it will still take 5 years before we come close to the Soviet level. Yet, the modernization of our strategic and conventional forces will assure that deterrence works and peace prevails.

Our deployed nuclear forces were built before the age of microcircuits. It's not right to ask our young men and women in uniform to maintain and operate such antiques. Many have already given their lives to missile explosions and aircraft accidents caused by the old age of their equipment. We must replace and modernize our forces, and that's why I decided to proceed with the production and deployment of the new ICBM known as the MX.

Three earlier Presidents worked to develop this missile. Based on the best advice that I could get, I concluded that the MX is the right missile at the right time. On the other hand, when I arrived in office I felt

the proposal on where and how to base the missile simply cost too much in terms of money and the impact on our citizens' lives. I've concluded, however, it's absolutely essential that we proceed to produce this missile and that we base it in a series of closely based silos at Warren Air Force Base, near Cheyenne, Wyoming.

This plan requires only half as many missiles as the earlier plan and will fit in an area of only 20 square miles. It is the product of around-the-clock research that has been underway since I directed a search for a better, cheaper way. I urge the Members of Congress who must pass this plan to listen and examine the facts before they come to their own conclusion.

Some may question what modernizing our military has to do with peace. Well, as I explained earlier, a secure force keeps others from threatening us, and that keeps the peace. And just as important, it also increases the prospects of reaching significant arms reductions with the Soviets, and that's what we really want.

The United States wants deep cuts in the world's arsenal of weapons, but unless we demonstrate the will to rebuild our strength and restore the military balance, the Soviets, since they're so far ahead, have little incentive to negotiate with us. Let me repeat that point because it goes to the heart of our policies. Unless we demonstrate the will to rebuild our strength, the Soviets have little incentive to negotiate. If we hadn't begun to modernize, the Soviet negotiators would know we had nothing to bargain with except talk. They would know we were bluffing without a good hand, because they know what cards we hold just as we know what's in their hand.

You may recall that in 1969 the Soviets didn't want to negotiate a treaty banning antiballistic missiles. It was only after our Senate narrowly voted to fund an antiballistic missile program that the Soviets agreed to negotiate. We then reached an agreement. We also know that one-sided arms control doesn't work. We've tried time and time again to set an example by cutting our own forces in the hope that the Soviets would do likewise. The result has always been that they keep building.

I believe our strategy for peace will succeed. Never before has the United States proposed such a comprehensive program of nuclear arms control. Never in our history have we engaged in so many negotiations with the Soviets to reduce nuclear arms and to find a stable peace. What we are saying to them is this: We will modernize our military in order to keep the balance for peace, but wouldn't it be better if we both simply reduced our arsenals to a much lower level?

Let me begin with the negotiations on the intermediate-range nuclear forces that are currently underway in Geneva. As I said earlier, the most threatening of these forces are the land-based missiles which the Soviet Union now has aimed at Europe, the Middle East, and Asia.

This chart shows the number of warheads on these Soviet missiles. In 1972 there were 600. The United States was at zero. In 1977 there were 600. The United States was still at zero. Then the Soviets began deploying powerful new missiles with three warheads and a reach of thousands of miles—the SS-20. Since then, the bar has gone through the roof—the Soviets have added a missile with three warheads every week. Still, you see no United States blue on the chart. Although the Soviet leaders earlier this year declared they'd frozen deployment of this dangerous missile, they have in fact continued deployment.

Last year, on November 18th, I proposed the total, global elimination of all these missiles. I proposed that the United States would deploy no comparable missiles, which are scheduled for late 1983, if the Soviet Union would dismantle theirs. We would follow agreement on the land-based missiles with limits on other intermediate-range systems.

The European governments strongly support our initiative. The Soviet Union has thus far shown little inclination to take this major step to zero levels. Yet I believe, and I'm hoping, that as the talks proceed and as we approach the scheduled placement of our new systems in Europe, the Soviet leaders will see the benefits of such a far-reaching agreement.

This summer we also began negotiations on strategic arms reductions, the proposal we call START. Here we're talking about

intercontinental missiles, the weapons with a longer range than the intermediate-range ones I was just discussing. We're negotiating on the basis of deep reductions. I proposed in May that we cut the number of warheads on these missiles to an equal number, roughly one-third below current levels. I also proposed that we cut the number of missiles themselves to an equal number, about half the current U.S. level. Our proposals would eliminate some 4,700 warheads and some 2,250 missiles. I think that would be quite a service to mankind.

This chart shows the current level of United States ballistic missiles, both land- and sea-based. This is the Soviet level. We intend to convince the Soviets it would be in their own best interest to reduce these missiles. Look at the reduced numbers both sides would have under our proposal—quite a dramatic change. We also seek to reduce the total destructive power of these missiles and other elements of United States and Soviet strategic forces.

In 1977, when the last administration proposed more limited reductions, the Soviet Union refused even to discuss them. This time their reaction has been quite different. Their opening position is a serious one, and even though it doesn't meet our objective of deep reductions, there's no question we're heading in the right direction. One reason for this change is clear. The Soviet Union knows that we are now serious about our own strategic programs and that they must be prepared to negotiate in earnest.

We also have other important arms control efforts underway. In the talks in Vienna on mutual and balanced force reductions, we've proposed cuts in military personnel to a far lower and equal level. And in the 40-nation Committee on Disarmament in Geneva, we're working to develop effective limitations on nuclear testing and chemical weapons. The whole world remains outraged by the Soviets and their allies use of biological and chemical weapons against defenseless people in Afghanistan, Cambodia, and Laos. This experience makes ironclad verification all the more essential for arms control.

There is, of course, much more that needs to be done. In an age when intercontinental missiles can span half the globe in less than half an hour, it's crucial that Soviet and American leaders have a clear understanding of each other's capabilities and intentions.

Last June in Berlin, and again at the United Nations Special Session on Disarmament, I vowed that the United States would make every effort to reduce the risks of accident and misunderstanding and thus to strengthen mutual confidence between the United States and the Soviet Union. Since then, we've been actively studying detailed measures to implement this Berlin initiative.

Today I would like to announce some of the measures which I've proposed in a special letter just sent to the Soviet leadership and which I've instructed our Ambassadors in Geneva to discuss with their Soviet counterparts. They include, but also go beyond, some of the suggestions I made in Berlin.

The first of these measures involves advance notification of all United States and Soviet test launches of intercontinental ballistic missiles. We will also seek Soviet agreement on notification of all sea-launched ballistic missiles as well as intermediate-range land-based ballistic missiles of the type we're currently negotiating. This would remove surprise and uncertainty at the sudden appearance of such missiles on the warning screens of the two countries.

In another area of potential misunderstanding, we propose to the Soviets that we provide each other with advance notification of our major military exercises. Here again, our objective is to reduce the surprise and uncertainty surrounding otherwise sudden moves by either side.

These sorts of measures are designed to deal with the immediate issues of miscalculation in time of crisis. But there are deeper, longer term problems as well. In order to clear away some of the mutual ignorance and suspicion between our two countries, I will propose that we both engage in a broad-ranging exchange of basic data about our nuclear forces. I am instructing our Ambassadors at the negotiations on both strategic and intermediate forces to seek Soviet agreement on an ex-

panded exchange of information. The more one side knows about what the other side is doing, the less room there is for surprise and miscalculation.

Probably everyone has heard of the so-called Hotline, which enables me to communicate directly with the Soviet leadership in the event of a crisis. The existing Hotline is dependable and rapid, with both ground and satellite links. But because it's so important, I've also directed that we carefully examine any possible improvements to the existing Hotline system.

Now, although we've begun negotiations on these many proposals, this doesn't mean we've exhausted all the initiatives that could help to reduce the risk of accidental conflict. We'll leave no opportunity unexplored, and we'll consult closely with Senators Nunn, Jackson, and Warner, and other Members of the Congress who've made important suggestions in this field.

We're also making strenuous efforts to prevent the spread of nuclear weapons to additional countries. It would be tragic if we succeeded in reducing existing arsenals only to have new threats emerge in other areas of the world.

Earlier, I spoke of America's contributions to peace following World War II, of all we did to promote peace and prosperity for our fellow man. Well, we're still those same people. We still seek peace above all else.

I want to remind our own citizens and those around the world of this tradition of American good will, because I am concerned about the effects the nuclear fear is having on our people. The most upsetting letters I receive are from schoolchildren who write to me as a class assignment. It's evident they've discussed the most nightmarish aspects of a nuclear holocaust in their classrooms. Their letters are often full of terror. Well, this should not be so.

The philosopher Spinoza said, "Peace is a virtue, a state of mind, a disposition for benevolence, confidence, justice." Well, those are the qualities we want our children to inherit, not fear. They must grow up confident if they're to meet the challenges of tomorrow as we will meet the challenges of today.

I began these remarks speaking of our children. I want to close on the same theme. Our children should not grow up frightened. They should not fear the future. We're working to make it peaceful and free. I believe their future can be the brightest, most exciting of any generation. We must reassure them and let them know that their parents and the leaders of this world are seeking, above all else, to keep them safe and at peace. I consider this to be a sacred trust.

My fellow Americans, on this Thanksgiving when we have so much to be grateful for, let us give special thanks for our peace, our freedom, and our good people.

I've always believed that this land was set aside in an uncommon way, that a divine plan placed this great continent between the oceans to be found by a people from every corner of the Earth who had a special love of faith, freedom, and peace.

Let us reaffirm America's destiny of goodness and good will. Let us work for peace and, as we do, let us remember the lines of the famous old hymn: "O God of Love, O King of Peace, make wars throughout the world to cease."

Thank you. Good night, and God bless you.

Note: The President spoke at 8 p.m. from the Oval Office at the White House. His address was broadcast live on nationwide radio and television.

Nomination of William Laurens Van Alen To Be a Member of the National Council on the Arts

November 23, 1982

The President today announced his intention to nominate William Laurens Van Alen to be a member of the National Council on the Arts, National Foundation on the Arts and the Humanities, for a term expiring September 3, 1988. He would succeed Geraldine Stutz.

Mr. Van Alen is a retired architect. He was a partner in the architectural firm of Carroll, Grisdale & Van Alen in 1946–1973. He is a fellow of the American Institute of Architects and of the Royal Society of the Arts. He served as a member of the board of directors of the University of Pennsylvania Museum in 1940–1970. He was also a member of the board of the Philadelphia Cultural Affairs Council in 1974–1977 and served as secretary of the council in 1977–1981.

He graduated from Cambridge University (B.A., 1929; M.A., 1933) and the University of Pennsylvania (B. Arch., 1937). He is married, has three children, and resides in Wilmington, Del. He was born September 29, 1907.

Remarks to Reporters Announcing the Administration's Proposal for a Highway and Bridge Repair Program

November 23, 1982

The President. Happy Thanksgiving—that's really what I came in to say.

We've just completed a meeting of the Cabinet, and I wanted to tell you that, after weighing all the considerations, I have decided that we should move forward now with a program to repair the Nation's major highways and bridges.

During the next few days, we expect to work out many of the details of this proposal. And I will consult further with Members of Congress before submitting it for consideration during the lameduck session.

From our early soundings, it appears that this measure will command broad bipartisan support. I'm reviewing this proposal along with a series of other measures that would help to give our economy a fresh boost as we head into 1983. It's my hope that this package can be high on the agenda when the Congress returns to Washington next week.

And, now, let me return for a moment to the proposal that Secretary Drew Lewis has spent so many months developing.

As you know, this measure would mean an increase in highway user fee, or gas tax, of 5 cents a gallon. For the average motorist, that's estimated to—that additional cost would amount to some $30 a year. But we wouldn't be considering such costs unless our needs were both large and pressing.

An estimated 10 percent of our Interstate Highway System—portions of which are more than 20 years old—need immediate resurfacing. We have 23,000 bridges in need of replacement or rehabilitation; 40 percent of our bridges are over 40 years old. Moreover, our cities face capital transit costs of some $50 billion as many buses and urban railcars need to be replaced or upgraded.

Our country's outstanding highway system was built on the user fee principle—that those who benefit from a use should share in its cost. It is appropriate that we rely on this same concept now. America has been blessed over the years with excellent transportation, and this program would provide us with a means of protecting and preserving this system.

Now, the Secretary is here, Drew Lewis. And he's going to take whatever questions

you may have on the details of this, and where we stand with it.

Q. Mr. President, what about a decision on accelerating the tax cut? We understand that you're leaning in favor of it.

The President. That is still under consultation.

Q. How are you leaning now on it?

Q. Do you think you might do that?

The President. We're looking at some proposals that have to do with that, and I can't go beyond that.

Q. Sir, is this a jobs bill, a highway bill, or a tax? Which do you prefer to call it?

The President. No. When this was first presented by Secretary Lewis over a year ago, he presented it with the idea and the real need of the highway system. But at that time, because of the economic situation we were faced with, I asked him to hold off for a while. In fact, I think I even mentioned, hold off a year. And he did and came back this year with it.

In the meantime, we have gathered much more information about the real need for this, and this, if——

Q. You don't mind if it creates jobs.

The President. What?

Q. You don't mind if it creates jobs.

The President. No, there's no question but obviously there will be some employment with it, but it is not a jobs bill as such. It is a necessity. It's a problem that we have to meet, and we'd be doing this if there were no recession at all.

Q. Has there been a palace coup? You said something about not raising taxes.

The President. That was in the context, that whole discussion, of our tax bill. And it's true that a tax on gas was one of those that had been proposed as an excise tax to help with that tax package that we presented in the midcourse correction of our program. And that's what I meant that, I'd—no—would not use that as a source, as there were several other excise taxes that we wouldn't use as a source just for general revenue. And that's what I meant at that time.

Q. How many jobs? How many jobs would it provide, about?

The President. You're getting down to the kind of questions, I'm going to turn it over to Drew.

Q. But isn't concrete breaking around your feet?

The President. What?

Q. But isn't concrete breaking around your feet?

The President. No, not at all. I knew the need a year ago and asked him to wait for a year. As a matter of fact, I specified '84, and that's what we're talking about.

Q. Do you still go for moving the tax cut up from July 1 to January 1, if you could get it?

The President. Well, this is the question that was asked, and I said this is still under consideration, and can go no further.

Q. Thank you very much, Mr. President.

Note: The President spoke at 12:19 p.m. in the Briefing Room at the White House.

Appointment of Charles J. Marshall as a Member of the Board for International Food and Agricultural Development

November 24, 1982

The President today announced his intention to appoint Charles J. Marshall to be a member of the Board for International Food and Agricultural Development for a term of 3 years. He would succeed Rebecca Irene Robbins Polland.

Mr. Marshall is a farmer and businessman in Jerome, Idaho. He is the owner of Western Idaho Potato Processing Co., Inc., in Nampa, Idaho. He was a member of the Idaho Commerce and Development Commission in 1955–1972, a member and past chairman of the Idaho Water Resources Board, and a member of the board and past president of the North Side Canal Co.

He has five children and resides in Jerome, Idaho. He was born May 18, 1909.

Appointment of Jere W. Thompson as a Member of the President's Council on Physical Fitness and Sports

November 24, 1982

The President today announced his intention to appoint Jere W. Thompson to be a member of the President's Council on Physical Fitness and Sports. He would succeed Alton M. White.

Mr. Thompson has been serving as president of the Southland Corp. in Dallas, Tex., since 1973. He was elected a director of the corporation in 1961 and became vice president in charge of store operations in 1962. He serves on the board of directors of Mercantile National Bank at Dallas, the Chilton Corp., and is past president and board member of the National Association of Convenience Stores.

He graduated from the University of Texas at Austin (B.A., 1954). He is married, has seven children, and resides in Dallas, Tex. He was born January 18, 1932.

Appointment of Two Members of the Advisory Commission on Intergovernmental Relations

November 24, 1982

The President today announced his intention to appoint the following individuals to be members of the Advisory Commission on Intergovernmental Relations for 2-year terms:

Gilbert M. Barrett will succeed Lynn G. Cutler. He is a county commissioner of Dougherty County, Ga., and past president and board of directors member of the National Association of Counties. He is presently chairman of both the county's finance and police committees. He is married, has two children, and resides in Albany, Ga.

William J. Murphy will succeed Roy Orr. He is currently serving as president of the National Association of Counties and county executive of Rensselaer County, N.Y. He is married, has three daughters, and resides in Hoosick Falls, N.Y.

Appointment of Three Members of the National Advisory Committee on Juvenile Justice and Delinquency Prevention

November 24, 1982

The President today announced his intention to appoint the following individuals to be members of the National Advisory Committee on Juvenile Justice and Delinquency Prevention:

Alan B. Moore will serve for the remainder of the term expiring January 17, 1984. He will succeed David H. Moseley. He is currently a student at Harvard University in Cambridge, Mass. He resides in Boston, Mass., and was born July 21, 1964.

Beverly A. Scherling will serve for the remainder of the term expiring January 17, 1983, vice Robert Q. Millan. She will also be reappointed for a term expiring January 17, 1986. She is currently serving as a State representative from Colorado. She is married, has three chil-

dren, and resides in Aurora, Colo. She was born May 22, 1930.

Donna M. Smith will serve for the remainder of the term expiring January 17, 1984. She will succeed Mary Ellen Chamberlain. She is a student at George Mason University in Fairfax, Va. She resides in Boxford, Mass., and was born July 6, 1963.

Radio Address to the Nation on Proposed Legislation for a Highway and Bridge Repair Program

November 27, 1982

My fellow Americans:

This special holiday weekend is a time when we all give thanks for the many things our land is blessed with. It's also a fitting time for us to think about ways in which we can preserve those blessings for future generations.

One of our great material blessings is the outstanding network of roads and highways that spreads across this vast continent. Freedom of travel and the romance of the road are vital parts of our heritage, and they helped to make America great. Four million miles of streets and roads make it possible for the average citizen to drive to virtually every corner of our country—to enjoy America in all its beauty and variety. They also form a vital commercial artery unequaled anywhere else in the world.

Our interstate system has reduced by nearly a day and a half the time it takes to drive coast to coast. And more efficient roads mean lower transportation costs for the many products and goods that make our abundant way of life possible. But let's face it: Lately, driving isn't as much fun as it used to be. Time and wear have taken their toll on America's roads and highways. In some places the bad condition of the pavement does more to control speed than the speed limits.

We simply cannot allow this magnificent system to deteriorate beyond repair. The time has come to preserve what past Americans spent so much time and effort to create, and that means a nationwide conservation effort in the best sense of the word. America can't afford throwaway roads or disposable transit systems. The bridges and highways we fail to repair today will have to be rebuilt tomorrow at many times the cost.

So I'm asking the Congress when it reconvenes next week to approve a new highway program that will enable us to complete construction of the interstate system and at the same time get on with the job of renovating existing highways. The program will not increase the Federal deficit or add to the taxes that you and I pay on April 15th. It'll be paid for by those of us who use the system, and it will cost the average car owner only about $30 a year. That's less than the cost of a couple of shock absorbers. Most important of all, it'll cost far less to act now than it would to delay until further damage is done.

And I should point out, delay is also dangerous as well as costly. And let me give you a few examples.

There's already a section of interstate highway in Illinois that's so far gone the truckers call it the only all-gravel interstate in the country. There are bridges that schoolbus drivers won't drive across until the children get out of the bus and cross on foot. Little league baseball actually had to be suspended on a field underneath the Queensborough Bridge in New York because of the condition of the bridge. And in one small community in Pennsylvania, a family living beneath a bridge that's part of I–70 has told their children not to play outdoors because rubble from the bridge keeps falling into the yard.

Overall, we have 4,000 miles of interstate highway that need resurfacing and 23,000 bridges that need replacement or repair. Our cities also have vital public transit capital needs for new buses, new or rebuilt rail cars, and track improvements that will total $50 billion over the next 10 years.

Common sense tells us that it'll cost a lot less to keep the system we have in good repair than to let it crumble and then have to start all over again. Good tax policy decrees that wherever possible a fee for a service should be assessed against those who directly benefit from that service. Our highways were built largely with such a user fee—the gasoline tax. I think it makes sense to follow that principle in restoring them to the condition we all want them to be in.

So, what we're proposing is to add the equivalent of 5 cents per gallon to the existing Federal highway user fee, the gas tax. That hasn't been increased for the last 23 years. The cost to the average motorist will be small, but the benefit to our transportation system will be immense. The program will also stimulate 170,000 jobs, not in make-work projects but in real, worthwhile work in the hard-hit construction industries, and an additional 150,000 jobs in related industries. It will improve safety on our highways and will make truck transportation more efficient and productive for years to come.

Perhaps most important, we will be preserving for future generations of Americans a highway system that has long been the envy of the world and that has truly made the average American driver king of the road.

Thanks for listening, and until next time, God bless you.

Note: The President spoke at 9:06 a.m. from Rancho del Cielo, his ranch near Santa Barbara, Calif.

Remarks to the People of Brazil Prior to the President's Visit
November 29, 1982

Last May I had the honor of welcoming President and Mrs. Figueiredo to the United States. Our discussions taught me how much our two countries have in common and how important it is that we understand each other well. I also learned how easy it is for Americans and Brazilians to talk as friends.

I am delighted to have President Figueiredo's invitation to return his visit and have made a special effort to learn more about Brazil, its people, their heritage, and their aspirations.

In the course of my readings and conversations, I've noticed many similarities between our two countries and their people. We're both nations of immigrants, yet we have successfully capitalized on the cultural, religious, and racial diversities of our peoples. We're both committed to peaceful resolution of global and hemispheric conflict, yet we both understand the need for strong and vigilant armed services.

We are both in positions of economic leadership on our respective continents. At the same time, we're major trading partners. The winds of economic crisis have buffeted our nations over the past few years—inflation, energy shortages, high interest rates—and we're still struggling to gain ground and prosper in these turbulent times.

Both Brazil and the United States have demonstrated during this same month of November that democracy is the world's best hope for peaceful change and progress.

While I am President Figueiredo's guest in your country, my colleagues and I expect to spend many hours in close consultations with distinguished Brazilians. We will discuss how our two governments can best support each other's efforts to meet the economic, social, cultural, and political aspirations of our people and how we can best strengthen the future security of our countries, our hemisphere, and our world.

Note: The President's remarks were taped on November 22 at the White House for later broadcast on Brazilian television.

Remarks to the People of Colombia Prior to the President's Visit
November 29, 1982

At President Betancur's kind invitation, I will soon be visiting your nation. I'm looking forward to this visit very much. There's much I hope to learn and see in your beautiful country.

Our two countries have a great deal in common. We share a similar history, a similar form of government, and similar aspirations. We agree on many values and objectives. Both of our nations seek peace in the hemisphere, peace in the world, the growth of our economies, and the well-being of our people. We also share some problems, such as the impact of illicit narcotics on our societies.

We do not agree on every issue, but this is natural. Diversity is one of the great strengths of democratic societies. Democracy only requires that we work together to understand each other, that we listen to each other, and that we address our differences seriously with mutual respect. I promise to do that.

The peace of the hemisphere and the strength of the inter-American system are key issues for both of us. The United States is firmly committed to peace and security in your region. I take this commitment very seriously. When the peace of a democratic state is threatened, we're concerned. When that country is a close neighbor, we're doubly concerned.

Security can be threatened by military actions, but security is also threatened by economic distress. The Caribbean Basin Initiative will address the underlying economic and social problems that are retarding the development of the Caribbean Basin States. We in the United States warmly welcome Colombia's decision to participate in this initiative, and we greatly value your desire to contribute to the economic development and the strengthening of democratic values in the region.

We're impressed by your nation's success in maintaining a vigorous economy, even in a period of global recession. North Americans share your dedication to hard work, competition, and the creation of new wealth.

We in the United States respect and admire Colombia's strong commitment to democracy. Equally important, we respect Colombia's firm commitment to the rule of law as the guiding principle of international relations.

Our two countries, working together, can achieve a great deal for our hemisphere. This is what brings me to Colombia. I look forward to meeting many of you personally and seeing your beautiful country. I bring with me the best wishes of my own people to you, our neighbors to the south.

Note: The President's remarks were taped on November 22 at the White House for later broadcast on Colombian television.

Remarks at the Annual Convention of the National League of Cities in Los Angeles, California
November 29, 1982

I learned once in a public speaking class that you never should open your remarks with an apology, but since I am the one that changed your schedule—and I won't look at Mayor Bradley when I say this—but you know California is the home of unusual weather. [*Laughter*] And that's why we had to change the schedule. But I thank you very much for that welcome, and I thank

you, Ferd,[1] for your very warm and kind introduction.

The first time that I addressed the National League of Cities as President was in March of 1981. And looking back, I think the most prophetic point I made was the need for a clear and direct line of communication between us—the need to maintain a direct relationship between the Federal Government and America's cities.

Talking about communication—communication is more than saying, "Hello, how are you?" I have a story—it's a true incident—that involves a fellow Californian, Danny Villanueva, who used to placekick for the Rams and then later became a sports announcer. And this was an incident in his life that he relayed to me, and it does deal with communications. Now, I've told it a great many times, this particular incident, but I haven't told it recently. And I hope I haven't told it to you, because I'm going to tell it again. [*Laughter*]

And anyway, the story goes that Danny, as a sports announcer, was having dinner one night over at the home of a young ballplayer with the Dodgers. He and the ballplayer were talking sports, and the young wife was bustling about getting the dinner ready. And the baby started to cry, and she, over her shoulder, said to her husband, "Change the baby." And he being a young fellow and kind of inexperienced along about that line as a father—he was embarrassed in front of Danny—and he said, "What do you mean, change the baby?" He says, "That's not my line of work. I'm a ballplayer." And she turned around, put her hands on her hips, and she communicated. [*Laughter*] She said, "Look Buster, you lay the diaper out like a diamond, you put second base on home plate, put the baby's bottom on the pitcher's mound, hook up first and third, slide home underneath. And if it starts to rain, the game ain't called; you start all over again." [*Laughter*]

Since those first days in office and my first speech to you, I've gotten to know you better, and I've come to understand your problems more clearly. Hundreds of you have met with me individually, as Ferd said, or in groups at the White House. We've held many working sessions about the challenges we face, and together we've made significant improvements in this administration's original federalism proposal.

As I said last September when I met with local officials, Governors, and State legislators in the Cabinet Room, we will proceed shortly after the first of the year with our amended federalism package. It will encompass three important principles. First, we will return responsibilities and commensurate revenue resources to the levels of government closest to the people. Second, there will be mandatory pass-through provisions to protect local units of government. And third, this initiative will not be a vehicle for budget savings on either side.

Throughout the last 22 months, individually and together, you've had a tremendous impact on the way this administration views the needs of American cities. Ferd Harrison and Bill Hudnut[2] have worked closely with me on our federalism initiative and provided me with a wide range of advice and counsel. Perhaps of greatest importance to you collectively, you have—not me collectively, you collectively have driven home the absolute need for some programs and some funds to pass directly from Washington to your city without taking a detour by your State capital. Now, this kind of give-and-take, this kind of cooperation and communication will be essential if we're to take the first and the next steps toward national renewal.

As Calvin Coolidge once said, "Our country was conceived in the theory of local self-government. It has been dedicated by long practice to that wise and benevolent policy. It is the foundation of our system of liberty." Well, today that principle faces tremendous challenge.

You represent the urban heart of our great country, our teeming centers of culture, innovation, and progress. But you and your cities are also saddled with concentrations of our nation's most troubling prob-

[1] *Ferd L. Harrison, mayor of Scotland Neck, N.C., and president of the National League of Cities. Mayor Harrison introduced the President.*

[2] *Mayor of Indianapolis, Ind.*

lems—high unemployment, decaying neighborhoods, grim crime rates, idle industries, eroding tax bases, and roads and bridges that threaten to crumble beneath us.

I've come before you with no magic wand. I'm fighting in Washington to reduce, not increase, the big spending that keeps our Federal budget badly out of balance. Although Americans are laboring under the highest peacetime tax burden in history, their money is spent before it even comes in. In a very real sense our coffers are empty.

But I have come to promote an agenda for growth and to offer you a challenge. There was a time in our history when our cities were gleaming testaments to the notion that nothing is beyond America's power to accomplish. Our cities were once centers of hope and opportunity, and can be again. I've come to urge that America's cities take up that challenge and link arms in a united effort to lead America into a new period of growth and prosperity.

Some elitists in Washington have implied that local officials aren't up to the job. Thinking that you lack their worldly sophistication, they doubt your competence and assume that you need a Capitol Hill perspective to feel an appropriate degree of compassion. Well, sometimes I wish they'd exchange that lofty vista once in a while for your ground floor, closeup view of how the world really is. Forcing Americans to accept the dictates of government in Washington instead of dealing with their elected representatives in their city hall has got to be one of the more serious mistakes of the century.

City hall, county seats, and State legislatures are the very laboratories of democracy. By removing the possibility of resolving our problems where they occur, too many have turned their backs on the genius of our system. Too many have stopped believing in our ability to govern and provide for ourselves.

Well, I believe that you're the hope of our nation. I put my faith in the American people and the quality of the leaders they elect to local office. You, in turn, must call on all your imagination and creativity to find new local answers for today's urban problems.

The Federal Government will not turn its back on you, but it's no coincidence that our present troubles are proportionate to the intervention and intrusion in our lives by Big Brother in Washington. We'll not cure what ails us by drinking more of what caused our sickness in the first place. Yes, there are some services that you cannot provide without some direct assistance from Washington. And you'll get that assistance. But it's time to sort out who does what best. Have Federal grants or loans accompanied by Federal dictates as to your priorities been a solution or a part of the problem? Have we all become addicted to temporary bailouts, failing to realize that the only answer must be a restoration of our economy from sea to shining sea?

Your revenues, I know, are falling away as your tax base shrinks. For a time the answer could be found in help from the Federal Government, which had usurped much of the taxing source. But as Washington responded by taxing more and borrowing even more to maintain its Big Brother role, it became a drag on the economy. Investment and production suffered, and more and more of the people living in your cities found themselves unemployed. It's time to give up the temporary band-aids and placebos and get on with the business of a real cure.

I've proposed a growth agenda for the eighties to put us on solid footing once again to bring back incentive in America, to make saving seem like good sense again, and to make investment more worth the risk. We proposed, and the Congress passed, the largest tax rate cut in history, although that 25 percent, across-the-board tax rate cut won't quite match the largest tax hike in history that was passed during the previous administration. I believe it is already providing, however, the stimulus needed to get our economy moving again.

This next installment, the so-called "third-year," will benefit working men and women more than anyone else and will have the most dramatic impact on our economy. In later years, taxes will be indexed. Then government will not profit by inflation, pushing Americans into higher and higher tax brackets every time they

receive a cost-of-living raise.

Now, this tax talk is no pipedream. Think back. When was the last time this country enjoyed real growth? When was the last period of boom, when unemployment dropped low, personal savings piled high, real wages grew, investment steadily increased, our industries were pumping at nearly full speed, and our gross national product was climbing? The last great period of American economic growth, low inflation rates, was in the 1960's, following enactment of the tax rate cut proposed by President John F. Kennedy.

President Kennedy knew as we know today: All the government boondoggles in the world won't fix what's ailing us. The only way to cure our problems is to get the economy moving again. And one of the best ways to stimulate the economy is to give the American worker a break and cut his or her taxes.

To further loosen the Federal chokehold on the American economy, we in this administration have been simultaneously scaling back programs, slowing government growth, and sorting out responsibility between levels of government. As a result, inflation, once public enemy number one, has dropped from double digits to 4.9 percent so far this year. The prime rate, once as high as 21½ percent, is down to 11½. The personal savings rate is increasing, the housing industry has begun to recover, and the stock market has been sending a strong signal of confidence for some time.

The worst remaining problems are the tragedy of unemployment and the monstrous proportions of our deficit. We have, as I've said, sizably reduced the annual increase in spending but there's no way we can eliminate, by budget cuts alone, the structural deficit built into the budget, nor can it be eliminated by raising taxes.

In the 5 years leading up to 1981, taxes almost doubled, and so did the deficits. The answer lies in stimulating the economy and increasing productivity. Even the trillion-dollar debt will become more manageable if it becomes a smaller percentage of the gross national product, which is the true measure of our wealth. Therefore, our every action should be aimed at helping the economy. We must not be lured into taking emergency actions aimed at temporary relief.

Once we get our economy growing again, it will generate more jobs. When more people begin to find work, fewer will be forced to depend on government social programs. Americans will be earning more, and the government will take in more revenue without raising the tax rates. By contrast, raising personal income taxes stifles the economy, throwing more people out of work. Fewer tax dollars would come in from higher tax rates as more people would depend on Uncle Sam. We'd spend more money we didn't have, probably raise taxes still more, and end up making the deficit worse and worse.

That's why I believe our economic recovery program, based on solid, time-tested economic principles, will work. But we'll not rely on the pillars of that program alone. We must take advantage of every resource available to us. For example, as people like Mayor Voinovich keep me painfully aware, enormous numbers of citizens are ready and able to work and yet don't have jobs. We'll need the strength of every back and the power of every mind to lift us to recovery. And I won't rest until every American who wants a job can find one.

But if we're to grow into the decades ahead, we must have the skills to work in them. But it's been estimated that at least 20 million American workers now rely on skills that won't be needed 20 years from now. The government has trained thousands more in skills that already aren't needed in their communities. Still others have been steered into make-work, government programs with no future.

We've got to do better, especially for our young people. And that's why I recently signed the Job Training Partnership Act to put more Americans to work where they live. That program will train more than 1 million of our citizens every year in skills that local business, civic, municipal, and labor leaders determine are needed in their own communities. And I'm asking the American business community to give us the support and leadership that we need to make the program succeed.

Now, we're blessed with an agricultural

abundance unmatched in the history of the world. To better use this resource, we're seeking out new markets, lifting old barriers, and restoring our reputation as a reliable exporter. Today our agricultural system provides the foundation for about 24 million American jobs—almost one-fifth of our nation's work force. We can do even better.

Earlier this fall, I signed the Export Trading Company Act to help small- and medium-sized exporting businesses. Experts say that this legislation will mean several hundred thousand American jobs. We've also reduced the tax burden on businesses promoting our products abroad, and are pressuring our trading partners to lift unfair export subsidies. Our export policies are key to our growth agenda and to the revitalization of America.

At home we're trying to nurture the seeds of renewal in the decaying cores of some of our older cities. When I visited Mayor Schaefer in Baltimore, I was shown a vision of a future that we can choose for our cities, and it's a future that works.

There's a renaissance in Baltimore, brought about by a shared commitment between government and industry—a partnership for progress between the public and the private sector. It's a city of excitement, growth, and diversity. I know that Baltimore has received aid from a number of Federal programs and has made particularly good use of Urban Development Action Grants, but it has also been a center of innovation and incentive. For example, there is a Blue Chip-in program in Baltimore, where private companies are investing in programs that create jobs, train the unemployed, and provide some emergency services to the city. Baltimore is proof that our potential is unlimited if the public and private sectors will work together.

And Baltimore is not alone. Phoenix is also promoting public and private sector cooperation with great results. In that city, for example, local building and zoning regulations have been eased to encourage private development of lower cost housing. More and more cities are making creative use of their resources to solve their problems.

I proposed an enterprise zone initiative to bring some of this innovative growth and excitement to even more cities around the country. The plan would create a free-market environment in depressed areas through tax relief, lifting regulations, and reducing other government burdens. By creating opportunity in our urban centers, businesses will begin returning, jobs will spring up, and the healing process of economic rejuvenation will begin. I don't need to explain to you what that will eventually mean in terms of your tax base.

The idea already has popular support. Fourteen States have already passed their own enterprise zone legislation without waiting for the Congress to act. Hundreds of cities are mapping out enterprise zone sites, as you well know. And in a recent survey of Fortune 500 chief executive officers, 67 percent said they would seriously consider investing in the zones after seeing the final version of the legislation. Keep in mind that most of those who responded said they wouldn't even have considered bringing their businesses into those cities before the enterprise zone incentives were offered. Small and minority-owned businesses would find even more opportunity.

In these difficult economic times when overall unemployment is high and youth and minority unemployment in some places has reached depression proportions, you'd think the Congress would jump at the chance to bring about this kind of growth opportunity and jobs. Well, I call on them today as they prepare to take up the rest of their unfinished chores to complete action on the enterprise zone initiative and let our cities get on with the business of recovery. The Senate has acted on it. The House has not, and it's been before the House for virtually a year.

If we're to move new and more goods in and out of our cities, if our cities are to attract more residents—there is another facet—we must face the fact that their infrastructure is falling into disrepair, less and less able to support growing demands. I need only listen to Mayor Caliguiri tell me about Pittsburgh's crumbling bridges or Mayor Hance recite the problems of the transportation system straining to cope with the burgeoning population to understand the urgency of this problem.

The state of our transportation system affects our commerce. It affects our economy and it affects our future. For many cities such repairs have become critical to growth and renewal. But no matter where we live in America, we're all dependent on our world-famous transportation network for the food we eat, the goods we buy, and the mobility we prize. Once a wonder of the modern world, that network is decaying, and we must restore it. I'll ask the Congress to authorize a much-needed overhaul of our transportation system.

We built our highways with user fees—or with money paid by those of us who benefited from the system. It was a fair concept then, and it is today. And that's why we're proposing to pay for today's repairs by increasing the highway user fee, or gasoline tax, by the equivalent of 5 cents per gallon. That fee hasn't been raised in 23 years, and it no longer meets our needs. The nickel per gallon that we proposed will mean an extra $30 a year for most carowners. But if we don't fix the roads, they might have to pay more than that to keep their wheels alined.

This program will be massive in scope, but it will not add to the deficit or increase your income tax. It will allow us to complete the Interstate System, make almost all the interstate repairs, strengthen all our dangerously weak bridges, improve thousands of others, enhance all of our safety, and address the critical public of transit needs of our cities.

The program that we're proposing will stimulate 170,000 jobs in the hard-hit construction industry and an additional 150,000 jobs in related industries. But while this is significant, the jobs are significant, the proposal's most important contribution is that it is needed for our cities and our country to grow again. It's an investment in tomorrow that we must make today. And I urge the Congress to pass it in this session, and I hope that you'll tell them also they should do that.

In the 1980 campaign, I pledged support for general revenue sharing. I proposed full funding of general revenue sharing in fiscal years '82 and '83. And while I haven't made any final budget decisions for fiscal year '84, I can promise you I will look at revenue sharing in the same light.

Robert Louis Stevenson once said, "You can't run away from a weakness; you must some time fight it out or perish; and if that is so, why not now, and where you stand?" The weakness in this country for too many years has been our insistence on leaving—or carving an ever-increasing number of slices from a shrinking economic pie. Our policies have concentrated on rationing scarcity rather than creating plenty. As a result, our economy has stagnated. But those days are ending.

We must lift where we stand, struggle for tomorrow, and earn anew the reputation this country once had as the land of golden opportunity. That is the reasoning and the challenge behind the agenda for growth that I've outlined today.

One of the first challenges ever given any American came from John Winthrop, standing on the deck of the tiny ship *Arabella* as it lay off the Massachusetts coast in 1630. As he looked at the band of settlers gathered before him, he said, "We shall be a city upon a hill. The eyes of all people are upon us. . . ."

America must once again be full of leaders dedicated to building shining cities on hills, until our nation's future is bright again with their collective glow. You have it within you to make it happen, to lead our people and our cities to the renewal we all seek.

I am committed to continuing a direct relationship between the Federal Government and our nation's cities. I will work with you, and the Federal Government will lend you support. But join together to take up the challenge, and there will be nothing to stand in your way. If you do, we will come alive again, we'll grow again, and America will be great again.

Thank you very much.

Note: The President spoke at 10:48 a.m. in the Los Angeles Convention Center.

Following his appearance at the convention, the President returned to Washington, D.C.

Remarks and a Question-and-Answer Session With Reporters on Administration Priorities During the Final Session of the 97th Congress

November 30, 1982

The President. We've just finished a very warm and constructive meeting on the final session, and I want to report to you on the results.

As you all know, I originally urged the 97th Congress to return for this session, because much work remained to be done on the 1983 budget. Senator Baker and Congressman Michel and the other GOP leaders who were here this morning have pledged that they will do everything they can to complete action on the 10 appropriation bills that are outstanding. Everyone recognizes that in working on these bills, we must hold the line on spending. And while the appropriations bills are among the highest priorities of this final session, we also agreed this morning that we must move forward on other fronts as well.

I've asked the leaders to work with me in coming days to pass two vital pieces of legislation that will help bring a fresh boost to our economy: a highway construction bill that will help restore the Nation's most important transportation arteries and stimulate several hundred thousand new jobs in the hard-hit construction and related industries, and the enterprise zone legislation that would provide a new lifeline to people who live in our inner cities.

We had a good discussion of tax policies in the meeting. While there continues to be interest in the possibility of accelerating the economic stimulus provided by our tax program, we agreed that our most important objective for this final session is to protect the cuts that are already in place, the third year of the tax cut that begins this July '83, and the indexing that follows in '84 [1985].[1]

Our tax program, along with the highway program, the enterprise zone initiative, and our efforts to hold down spending, are all essential to restoring a healthy America.

Looking beyond the economy, there are several other pieces of unfinished business which must also be addressed in this final session of the 97th Congress. The priorities I outlined to the leaders this morning included the following: the Caribbean Basin Initiative, which is so important to our relations with our neighbors to the south and which I'll be discussing with them in the next few days; and of great importance, I'm asking that the Congress provide funding so that our MX program can begin on schedule. Then there is the Clean Air Act, nuclear waste disposal, a revision of our bankruptcy laws, regulatory reform and immigration reform, Radio Martí, and the anticrime bill already passed by the Senate.

In the past several days I and others of the administration have had the opportunity to consult widely with Members of the Congress on both sides of the aisle. And from these conversations and from our meeting this morning, I'm convinced that there is a desire on everyone's part to get the job done in a spirit of cooperation. The economy needs it, our people deserve it, and I think all of us are prepared to answer that call.

Q. Mr. President, does this mean that you are not going to push at all for the advancement of the tax cut? I mean, you didn't say it in so many words, but is that what you're saying, really?

The President. No, we discussed that very thoroughly. And while, as I say, there is still some interest in this, we're not going to make a push for that. We think the most important thing is to resist efforts that probably will be made to go the other way.

Q. Mr. President, you described it, however, as a healing way of stimulating the economy. That was about 2 weeks ago. What changed your mind?

The President. Well, there are a number of facets to it. Among those could be what opening that whole subject up might do. But also there is a contrary one that we were aware of at the time, and that is, with

[1] *White House correction.*

the deficits, while I believe that's a stimulant to the economy, it's a stimulant that actually occurs down the line a little ways. And the first result in this time of high deficit would be an addition to the deficit.

Q. Did you get the word, Mr. President, from Mr. Michel and Mr. Baker that it probably could not pass?

The President. Well, I'll tell you what; I think maybe I'm going to let these gentlemen answer questions like that, because the whole thing was that after two or three of these for you, and because I'm going to be taking off from the South Lawn very quickly on this trip. And I've got some other meetings now to go to. I'm going to abandon ship here and turn it over to them.

But, no, we discussed the difficulty of getting this passed, because, as I say, there are elements up there who want to go the other way, which I think would be directly opposed to what is needed today if we're to restore the economy, would be to go the other way and take away that incentive.

Q. Are you talking about the Democrats' proposal for $5 billion in additional jobs?

The President. That would be one that I was not talking—I was talking about the tax program itself. But this program—I think by the time that got into place, it would ignore all the things that are happening to the economy and it would be self-defeating to have such a program as they're talking, up on the Hill.

Let me just say this, this one thing. This morning as you know, at 10 o'clock the economic indicators, the news on them was released again. And not only are they up again for October, but they revised September and it was up more than double what the figure had been given a month ago for the economic indicators in September.

But I do—and now, no fooling around—I do have to go, and it isn't just to get away from your questions here.

Q. Mr. President, do you think you can salvage the third year? Is there any danger——

The President. What?

Q. Do you think the third year can be preserved? Is there a danger that it might be postponed or perhaps killed on the Hill?

The President. I think it can be saved. I'm sure of it.

Note: The President spoke at 10:36 a.m. in the Briefing Room at the White House. Following his remarks, Senate Majority Leader Howard H. Baker, Jr., and House Minority Leader Robert H. Michel answered reporters' questions.

Message to the Congress Transmitting Proposed Legislation for a Highway and Bridge Repair Program

November 30, 1982

To the Congress of the United States:

I am submitting for your consideration and appropriate reference a draft bill "To authorize appropriations for the construction of certain highways in accordance with title 23 of the United States Code, and for other purposes."

This legislation proposes an increase in highway user charges by 5 cents per gallon to help meet the needs of our deteriorating highway and transit systems. These systems are essential for the efficient movement of people and freight and to a healthy national economy. Investments by all levels of government are falling well short of the amount necessary to complete the Interstate System and to keep our nation's highway system, including its bridges, from facing rapidly accelerating deterioration. Urban rail and bus transit capital investment needs will total almost $50 billion over the next 10 years to maintain our existing systems. Transit needs cannot be viewed as separate, since highways and transit form a complementary and interdependent system for the efficient and economical movement of goods and people in urban areas.

The primary objective of this legislation is to provide renewed investment to help rebuild our nation's deteriorating infrastructure. In addition to supporting economic recovery by providing an effective transportation network that is crucial to commerce, this bill sets the framework for several other beneficial effects on the economy. For example, this legislation would create an estimated 320,000 jobs, 170,000 direct and indirect in construction industries and 150,000 more jobs "induced" by the construction. The bill also proposes a reallocation of existing user charges to make the current user fee structure more equitable. The bill eliminates a large portion of the existing cross-subsidy from lighter to heavier trucks, and it assesses motorists as directly as possible for the highway costs they impose. Finally, this legislation proposes changes to truck size and weight laws to help bring about uniformity and provide significant productivity benefits for the trucking industry.

This bill does not contain a Federalism turnback. However, the Administration remains committed to Federalism and will strive to return to State and local governments programs that are primarily of local interest and responsibility. The Administration is consulting with the Governors, affected State and local officials, and the Congress on a bill which will implement the appropriate turnback of highway programs and accompanying revenues. The current status of the consultative process is that $2.2 billion (equivalent to 2 cents of the current motor fuel tax) and the Federal-aid programs relating to urban, secondary, non-primary bridges and safety construction would be turned back. The attached bill treats these programs in a manner that will allow them to be easily incorporated into Federalism legislation.

Major provisions of the legislation are discussed below.

Title I—Federal-Aid Highway Program

This legislation continues the direction established by the Federal-Aid Highway Act of 1981. The extent of Federal involvement in all Federal-aid highway programs has been analyzed and the total program is restructured to emphasize the highway systems that warrant Federal interest. This legislation continues to make completion of the Interstate System and its rehabilitation and preservation the highest Federal priority. The bill provides program authorizations for the Interstate, primary, secondary, urban, bridge rehabilitation, and certain other programs through FY 1988. The 1982 Federal-Aid Highway Act provided authorizations in FY 1983 for several highway programs, but reduced the amount available for obligation by a factor based on the number of days in the continuing resolution passed by Congress (Pub. L. 97-276). This legislation establishes authorizations for the full fiscal year 1983 for the major highway programs.

—Interstate Program

The Federal-Aid Highway Act of 1981 reduced the cost to complete the Interstate System by limiting eligible construction items to those that provide a minimum level of acceptable service on a safely operating system. This bill continues that definition, but increases the authorizations for Interstate construction to $4.0 billion in FY 1985, 1989, 1990, and 1991 and to $4.500 billion for FY 1986, 1987, and 1988. The FY 1985 authorizations actually become available beginning in FY 1984 because they are apportioned one year in advance of the year of authorization. The one-half percent minimum Interstate construction apportionment is not continued because it is contradictory to our emphasis on completing the Interstate System.

To further the expeditious completion of the System, the bill revises the criteria for distribution of Interstate discretionary funds. Rather than being allocated on a first come, first served basis as under present law, the funds will be allocated by the Secretary on a priority basis to projects that will help complete Interstate segments not open to traffic and to projects of unusually high cost relative to a State's apportionment. The discretionary fund will consist of $300 million per year set aside from Interstate construction authorizations and will also contain lapsed amounts from previous apportionments. Also, when Interstate substitute actions occur, sums equal to the

amounts deducted from a State's unobligated Interstate apportionment will be added to the discretionary fund.

The importance of rehabilitation and preservation of the Interstate System is indicated in the bill by the increased levels of Interstate 4R authorizations. These increase from $2.5 billion for FY 1985 to $3.9 billion for FY 1989. These authorizations are apportioned a year in advance. Interstate 4R apportionments not needed for 4R purposes may be used to fund Interstate construction or primary system improvements. Interstate 4R apportionments will be adjusted in FY 1983 and FY 1984 to compensate States for any reductions in total Interstate authorizations that might occur due to the elimination of the one-half percent minimum Interstate construction apportionment.

Several modifications are made to existing Interstate substitution provisions. A specific authorization for appropriation of $650 million for each fiscal year from 1984 to 1988 is provided from the Highway Trust Fund for highway substitute projects. These funds will be available for two years. The 1983 Cost Estimate (ICE) is established as the base for costs of Interstate withdrawals approved after 1983. Construction cost adjustments to withdrawals will be prohibited after Congress approves the 1983 ICE.

—Non-Interstate Programs

Primary Program. Authorizations are provided for this program through FY 1988. The priority primary program and the connector primary demonstration program are eliminated so that States can select those projects that reflect their own priorities.

Bridge Program. The bridge replacement and rehabilitation program authorizations are extended through FY 1988 and separate bridge apportionment formulas are established for primary bridges and non-primary bridges to provide more equitable distribution of funds. Apportionments are available for 2 years, after which unobligated funds may be redistributed to other States. A discretionary bridge fund of $300 million is set aside from the authorization for each year through 1988 for use on high cost bridges. Projects eligible for these funds must cost more than $10 million or at least twice a State's annual program apportionment.

Secondary and Urban System. The bill would continue funding for the secondary and urban programs at the FY 1982 level for each of the fiscal years 1983 to 1988.

Highway Safety Improvement Program. A new safety program is established to combine the separate categorical programs that now exist: Hazard Elimination, Rail-Highway Crossing, and FHWA's 402 Safety programs. Funding for this new program is provided through FY 1988.

Program Consolidation. The bill eliminates a number of existing categorical highway programs and rescinds any unappropriated authorizations. Unobligated balances will remain available until expended or the periods of availability expire. Most of these programs are eligible activities under regular primary, secondary, and urban programs. The bill also contains several provisions that will allow the Federal-aid highway program to be more effective and efficiently managed.

Title II—Transit Program

The mass transportation portion of this bill makes important changes in the structure of Federal transit assistance to begin to shift decisionmaking responsibility from Federal to State and local authorities. The bill would create a capital formula program for transit assistance and would phase out transit operating assistance by the end of FY 1984. In addition, the bill would establish a new transit infrastructure program to be funded from a portion of the proposed increase in the highway user fee. The bill would authorize Federal transit funding for fiscal years 1984 through 1988. Transit authorizations for the five-year period ending 1988 would total approximately $19.54 billion. The bill also includes $550 million in new FY 1983 authorizations for the transit infrastructure program.

—Infrastructure Program

Approximately $1.1 billion would be available annually for transit infrastructure projects from the one cent of the proposed increase in the highway user fee. This bill would add a new section 22 capital infrastructure development program to the Urban Mass Transportation Act of 1964, as

amended (UMT Act), which would distribute these funds to urbanized areas by an administrative formula to be devised by the Secretary of Transportation. The funds would be available for transit infrastructure development projects involving the rehabilitation or replacement of transit facilities and equipment. These funds would be subject to the same streamlined requirements as that proposed for the new section 9 capital formula program (see below) with a proposed Federal/local share of 80/20.

The administrative formula, to be published annually in the *Federal Register,* would be based on the size, age, and condition of mass transit systems and the infrastructure needs of those systems. Each State, however, would receive no less than one-half of one percent of the total funds annually available under this program. Moreover, apportionments to a Governor or designated recipient in an urbanized area would be eligible to be used for highway projects in the State or urbanized area instead of for a transit infrastructure development project. However, the decision to release these funds for highway purposes will limit the availability of transit discretionary funds to fund any project that could have been funded under this program.

—Capital Assistance

This bill would add a new section 9 to the UMT Act, which would authorize $8.914 billion in capital funds to be distributed through a capital formula program for urbanized areas over 50,000 population. The Federal share for the capital formula program would be 80 percent.

The section 9 formula program funds would be eligible for capital purposes only, including planning, acquisition, construction, deployment of innovative demonstration results, and improvement of facilities and equipment. Capital activities would include the direct costs of spare parts for transit vehicles where the expected service life of the spare part exceeds one year. Federal participation in the cost of spare parts will enhance the ability of transit operators to keep their equipment in service and help to protect the original Federal capital investment in these items. New rail starts and rail extensions would not be eligible activities under section 9 without the prior concurrence of the Secretary of Transportation.

The capital program funds would be distributed based on a "revenue match" formula. Under this new formula each urbanized area would receive an apportionment equal to its share of the total national non-Federal mass transportation revenues (including State and local assistance).

The bill provides for local self-certification that recipients are meeting a number of existing Federal requirements. This certification process would provide for greater simplicity and flexibility for State and local governments. It would reduce the complexity of applications and thus the paperwork burden at all levels of governments. Finally, it is consistent with the Administration's philosophy of placing greater responsibility for progam implementation at the State and local level.

The transit bill also includes a transfer of responsibility under Section 13(c) from the Secretary of Labor to the Secretary of Transportation, to provide greater flexibility to ensure that these labor protections are administered consistently with transportation policy. In addition, the bill contains a change in present procurement requirements which would allow the Secretary to determine a benchmark price for buses.

Title III—Highway Trust Fund and Revenue Provision

The revenue title features a five cent highway user fee increase. Four cents will be channeled into the Federal highway program and one cent of the increase will be available for public transportation or highway programs. This title also includes adjustments to the user charge structure to make a more equitable distribution of costs among the various classes of vehicles. As mentioned above, changes in the Federal size and weight standards have been coupled with the fee structure changes. This title provides that the user fee levels provided in this bill will be in effect through March 31, 1990 and permits expenditures to be made from the Highway Trust Fund through fiscal year 1991.

The program restructuring and authorization levels proposed in this bill represent a

strong Federal commitment to an effective national transportation system. The new Federal focus on national interest programs accompanied by greater responsibility for the States will ensure fulfillment of the nation's transportation needs.

RONALD REAGAN

The White House,
November 30, 1982.

Remarks on Departure for Latin America
November 30, 1982

Today we embark on an important journey to visit our friends in the south, in Latin America. This will be an important visit not only for the United States but for others, too. As friends and neighbors of the New World, we have a vital stake in each other's economies, security, and general well-being. This is true for Central America, the Caribbean, and for the entire hemisphere.

This will be a working visit. I'll be meeting with six Presidents, and I believe we have a lot to learn from one another. We certainly have a lot to discuss: the steps we all need to take to get our domestic economies back on the path to growth, to reduce the threats to peace and security, and to promote the continued development of democracy. This will be a journey for the cause of democracy and peace.

The four countries I'm visiting have all had elections in the past year. There's a strong democratic tide running in the Americas. It's important that democratic leaders maintain a dialog with one another and that our actions foster the ideals of democracy in a climate of peace.

I've long held that one of the highest priorities of this administration would be to improve our relations with our neighbors in this extraordinary hemisphere. We are, as you know, most fortunate, for this half of the globe is the source and repository of many of mankind's noblest dreams. Our Caribbean Basin Initiative is a reflection of our commitment to sustaining those moral visions—or noble visions. And when our neighbors are in trouble, their troubles inevitably become ours.

I'm pleased that the Congress approved the aid portion of my CBI request in September. I also attach great importance to the critical foreign assistance package for fiscal year 1983, which is currently before the Congress. But we need more than just an injection of critically needed funds. We need the long-term incentives encompassed in the trade and tax provisions of the CBI legislation. In my meeting with the Republican leadership this morning, I underlined the importance that I attach to enactment, as soon as possible, of the trade and tax portions of the CBI, and they agreed.

I've spoken with Dan Rostenkowski, chairman of the House Ways and Means Committee, who recently traveled to the Caribbean at our request. He saw firsthand the positive impact that the CBI would have on the economies and the societies of this area, and he, too, promised to help during the final days of this session.

Our trip is an opportunity to demonstrate firsthand our concern for our neighbors. Whether our nations be of the north or the south, we can work together as partners to pursue the dreams we share. We will strengthen the democratic bond, stimulate new growth and opportunity, and promote the sacred cause of peace. That's the purpose of the journey.

And now, I'd better quit talking and start walking, or the journey will be late. Thank you.

Note: The President spoke at 11:31 a.m. to reporters and members of the White House staff assembled at the South Portico of the White House.

Responses to Questions Submitted by Latin American Newspapers
November 30, 1982

Global Economic Crisis

Q. The power of the democratic idea and economic progress allowed the West to win the battle for the hearts and minds of people almost everywhere and helped them resist totalitarian ideologies. But isn't there an implicit threat to those gains in the present economic crisis and, therefore, to the strategic interests of the United States, even in the hemisphere?

The President. There is no question that today's global economic crisis is a severe challenge to democracies everywhere. During an economic downturn, competition among labor, business, and government becomes more intense, and the relationships can become strained. This, in part, is the reason why I proposed last February, in cooperation with other donor nations in the hemisphere, an ambitious program to increase aid and stimulate trade and investment in the Caribbean Basin. It is also why the U.S. has worked closely with the international community to assist countries which are facing more serious financial difficulties during the current worldwide recession.

The situation in El Salvador is a good example of the tension and instability that can develop. There, leftist guerrilla forces have undermined the economic infrastructure in order to spread dissatisfaction and opposition to the democratically elected government. El Salvador also shows, however, that even in a profoundly divided society, democratic institutions can rise above economic or political crisis to meet the challenge with a national consensus.

Other nations in Central America and South America are finding that the consensus building inherent in a democracy offers a firm foundation for responding to economic and other crises. So although economic difficulties test our democratic ideals, I believe that recent events, such as the elections in Brazil, Costa Rica, El Salvador, Colombia, Honduras, and Mexico, show that our democracies will emerge not only secure but stronger. That Brazil has just conducted a landmark election during a period of severe economic problems is a clear indication that democracy can not only be maintained but advanced, even during times of economic difficulty.

U.S. Development Assistance

Q. The United States is trying to reduce its contributions to the World Bank and the Inter-American Development Bank, while refusing to increase the lending resources of the International Monetary Fund in the proportion desired by developing nations. In light of these initiatives, what expectations can Third World countries have in relation to U.S. participation in the North-South dialog?

The President. Your initial statement is inaccurate. We support an adequate increase in IMF quotas and a substantial replenishment of the Inter-American Development Bank. Moreover, I am committed to working with leaders of Third World countries to address their real development problems in a pragmatic, concrete manner.

The world community's most important contribution to growth in developing countries is through trade. Last year, the United States alone provided more than $68 billior to the non-OPEC developing world in payment for goods imported from developing countries. That is twice as much as LDC's received in official development assistance from all sources.

We are committed to fostering an international trade system which will continue to provide a powerful engine of growth. For example, in last week's GATT (General Agreement on Tariffs and Trade) meeting in Geneva, we proposed a round of North-South trade talks that would help increase trade between developed and developing countries.

We recognize, however, that concessional assistance also plays an important role in development, particularly for least developed countries. In a period when concessional financing is scarce, those limited resources should be concentrated on the

world's poorest, least credit-worthy countries.

Caribbean Basin Initiative

Q. What concrete results can we now see from the CBI? What are the possibilities that the Congress will not support the initiative fully? If the access to the North American market contemplated as part of the as yet unapproved CBI is not approved soon, would your government be disposed to establish some kind of bilateral arrangement with the Caribbean Basin countries?

The President. The Caribbean Basin Initiative is an integrated program of emergency financial aid, trade preferences, and investment incentives. It will help revitalize the economies of the Caribbean Basin by stimulating greater investment, production, and exports in the region. That will create jobs and give people tangible hopes for a better economic future within stable democratic institutions. As you know, the U.S. Congress in September approved the emergency aid portion of the initiative, and those funds are now being disbursed. The trade and investment portions of the initiative will be considered by the Congress in the next few days. We have been working closely with the leadership in both Houses to see that the full legislative program of the CBI is completed before Christmas.

We will continue to seek a multilateral and regional approach, rather than isolated bilateral arrangements. I strongly believe that the cooperation of other countries—both as donors and as participants in the program—strengthens and increases the effectiveness of any individual country's efforts.

Inter-American Relations

Q. The Falklands/Malvinas Islands conflict damaged relations between the U.S. and Latin America. How can hemispheric unity be achieved, and how will your trip better inter-American relations?

The President. We in the New World are very important to each other. Our mutual dependence—our interdependence—shows up in almost every statistic concerning hemispheric trade, capital flows, communications, and other forms of human interaction.

Much of the world's growth potential is here in our hemisphere. I know public attention is focused on alleviating the global recession; that is only natural. But we must focus on how to create the conditions for renewed, long-term growth.

Perhaps the most encouraging trend at work in the hemisphere is the movement toward democracy. We firmly support this trend, and through my trip, I hope to make that support clear and widely known.

We must recognize that the inter-American system has served us well. True, it was unable to prevent the tragic outbreak of war earlier this year. But let's not forget that thanks in large measure to the inter-American system, Latin America devotes less than 1.4 percent of its gross national product to military expenditures. What is called for now is not new institutions but a renewed commitment to making the system's emphasis on the rule of law and the peaceful resolution of disputes work better. That calls for political will. The United States is firmly committed to do its part in this endeavor. My visit to your countries will emphasize that commitment.

Latin American Democracies

Q. In recent years, several democracies have been restored in Latin America: Peru, Brazil, Ecuador, Bolivia, and Honduras. What importance does your government give to these democracies in contrast to military regimes in the hemisphere? What impact do you believe your administration's human rights policy had on these developments?

The President. The United States places great importance on the development of stable democratic institutions in our hemisphere. In addition to the special bond which the shared value of democracy brings to our relationship with another nation, there are certain practical elements in democratic systems which also deepen and strengthen our ties. Democracies tend to be more stable because they represent a broader spectrum of national opinion. Democracies tend to be more peace-loving because they must consult with their citizens regarding major foreign policy questions. Democracies tend to have more policy con-

tinuity because of their broad-based support. And lastly, when we deal with a democratic government, we know it speaks for its sovereign people as a whole, not just for an isolated sector.

I believe that U.S. promotion of human rights and support for democracy in the Western Hemisphere reinforce each other. History shows us that the most effective guarantee of human rights lies in the creation and strengthening of open democratic institutions of government.

But we in the United States can only influence, we cannot determine. I believe that the growth of democracy we have seen in recent years shows the power of the democratic idea—from the unity and stability it brings to a nation, to the dignity and legitimacy it bestows on a government.

Cuba

Q. It is evident that Cuba threatens both Central America and the Caribbean. Have you thought of an effective way to eliminate the root of this Cuban subversion?

The President. You are quite right that Cuba, by its support for armed violence and subversion against its neighbors, is indeed a threat to the peace of the Americas. But more importantly, with its economy in a shambles, with tens of thousands of mercenaries in Africa, and with its extreme dependence on Soviet largesse merely to hold its head above water, Cuba has become more and more a Soviet satellite and a willing conduit for advancing aggressive communism. Were it not for the Soviet Union, which gives massive aid in the form of arms and money—*$3 to $4 billion* this year alone—Cuba could not afford to do what it is doing.

Our response has been threefold. First and foremost, we are working with the other States of the region to help the actual and potential victims of Soviet-abetted, Cuban-inspired attacks in the region. This includes as its most important element help to strengthen their economies through bilateral and multilateral programs, including the Caribbean Basin Initiative, which is key to the success of this joint effort. Where necessary, we also provide security assistance. Second, we hold the Soviet Union ultimately responsible for much of its client's behavior. And third, we maintain and have strengthened economic measures designed to increase greatly the costs to Cuba and its Soviet paymasters of their interventions in other countries.

Arms Reduction and Deterrence

Q. In the past, the United States permitted the Soviet Union to achieve strategic parity. You now appear to believe that only an American threat to regain superiority will cause the Kremlin to accept your plan to mutually reduce nuclear arms. However, this position has not produced results at the negotiating table. In fact, it appears to be exacerbating the arms race, with the resulting waste by the superpowers of resources that would be better utilized in the fight for development. In light of the change of guard in the Kremlin, isn't this the moment to revitalize détente and abandon the rhetoric of confrontation?

The President. The United States is *not* seeking strategic superiority. I am convinced that the preservation of peace requires that we follow two parallel paths—deterrence and seeking significant arms reductions to equal and verifiable levels. These are the only paths that offer any real hope for enduring peace. I want to stress that the present disparity in forces brought about by the massive Soviet buildup of the 1970's has been very detrimental to international peace and stability.

I believe our strategy for peace will succeed. Although the United States has always led the effort for arms limitations and reductions, never before have we proposed such a comprehensive program of nuclear arms control. What we are saying to the Soviet Union is this: We will modernize our military in order to keep the balance for peace, but wouldn't it be better if we both simply reduced our arsenals to a much lower level?

We have stressed from the outset that we want a constructive relationship with the Soviet Union, based on mutual restraint, responsibility, and reciprocity. Unfortunately, Soviet-backed aggression in recent years—such as Afghanistan, Poland, and Kampuchea—has violated these principles. But we remain ready to respond positively to con-

structive Soviet actions.

Brazilian Economy

Q. Brazil is experiencing the gravest economic and financial crisis of the last 20 years. Naturally, Brazil looks to the United States, the richest nation in the world, for support. What types of specific assistance can your administration provide Brazil directly, in the terms of credit and loans, and indirectly, in its attempts to restore the confidence of private banks in the country and to increase the resources of multilateral lending institutions?

The President. The United States continues to be a strong supporter and the largest contributor to the World Bank (IBRD), the Inter-American Development Bank (IADB), and the International Monetary Fund (IMF). We believe these institutions have key roles to fill in today's world and provide important resources, both financial and technical. While we believe IMF resources are sufficient to handle current problems, we are working with other members of the IMF to ensure that adequate resources will also be available in the future. We hope that agreement on a new quota increase will come soon and that our suggestion for a special borrowing facility to meet possible extraordinary demands will be accepted.

Brazil can be proud of its well-established reputation for meeting its obligations in a responsible manner and for facing problems with skill, energy, and pragmatism. We have every reason to believe Brazil will continue to take whatever measures it finds necessary to deal with its problems, including any economic adjustments that may be needed to assure sound growth and development. This, in turn, gives lenders confidence in Brazil's creditworthiness—confidence that I share. We believe Brazil will have adequate access to private international financial markets.

U.S.-Brazilian Relations

Q. Brazil condemns foreign interference in Central America, sympathizes with Nicaragua (Brazil has given Nicaragua some economic assistance), condemned Zionism as a form of racism in the United Nations, and was the first country to officially recognize Angola in spite of the Soviet and Cuban roles in Angola's independence. Given the self-proclaimed Western inclinations of Brazil, do the fruits of its foreign policy of "non-automatic alliances" surprise you? Is there a risk that Brazil's foreign policy will place both nations on a collision course? During your visit to Brazil will you call for a new alinement between Brazil and the U.S.?

The President. Your question suggests that the foreign policies of Brazil and the United States are in direct conflict. I do not accept that suggestion. In our discussions last May, President Figueiredo and I found that there are many more points of convergence in our foreign policies than there are points of divergence. That is not surprising, since both countries are based on a similar value system and have similar origins and histories and are dedicated to peace, prosperity, freedom, and justice. As for the points of divergence, well, we live in a large and complex world with many difficult problems and situations, and it would be totally unrealistic to expect any two free and independent nations to hold identical views on all of them. You only find that automatic identity of viewpoint within the Soviet bloc, and I certainly would not like to see that replicated anyplace in the world.

In answer to the second part of your question, no, I do not intend to propose a new alinement between Brazil and the United States. I am interested in strengthening the bilateral relationship, in reviewing areas where there have been problems, and in exploring new possibilities for bilateral cooperation. This is important to me, and I think it is important to President Figueiredo—not in the context of a new alinement, but as reaffirmation of the longstanding friendship between Brazil and the United States and our common commitment to the peace and progress of the hemisphere and the world.

Effects of U.S. Economic Policies

Q. President João Baptista Figueiredo stated during a recent speech at the United Nations that "The economic policies of the great powers are destroying wealth without replacing it." The American Government, in particular, has been accused of adopting

economically repressive policies, ignoring the pernicious effects on the rest of the world. The U.S., according to critics, is exporting recession and unemployment today in the same way that it exported inflation in the past. Was your government somewhat insensitive regarding the negative repercussions of U.S. economic policies abroad?

The President. I know that slow economic growth in the U.S. is having serious impacts on other economies, and I wish we could have avoided this painful transition period for all of us. The continuation of past U.S. economic policies and the continued lack of control over U.S. inflation would have led to disaster not only for the U.S. but for the whole world economy. We are seeing the beginnings of recovery in the U.S.—inflation has fallen dramatically, interest rates also are dropping fast, and there are encouraging signs of investor confidence, for example, in the stock market and in construction. What we are aiming for now is a revival of steady economic growth with price stability. I want to lay the foundations for a long period of U.S. growth not subject to exaggerated ups and downs which have caused so much pain around the world in the past. I think we are on the right road and that the U.S. economy will once again provide a significant stimulus to production and employment around the world.

U.S.-Latin American Relations

Q. President Betancur has said that the United States is treating Latin America as "America's backyard." How do you respond to that?

The President. While there may have been some basis in the past for the concern that the United States did not focus sufficiently on its relations with the hemisphere, I think it is clear that my administration has devoted considerable attention to our hemispheric relations, as evidenced in the Caribbean Basin Initiative, which we and Colombia support, and my current trip, which underlines the importance of our hemispheric neighbors for the United States.

Drug Trafficking and Abuse

Q. Beyond doubt, one of the most important problems between Colombia and the U.S. is drug trafficking, and certainly there have been some important advances such as the recent "Operation Swordfish." Nevertheless, for those who are in the know, drug trafficking is produced not only by the sellers but also by the buyers, which in this case are the U.S. citizens themselves. What policies have been instituted to fight against the immense consumption of drugs in your country?

The President. On October 5, I endorsed our new Federal strategy which is designed to mobilize all our forces to stop the flow of illegal drugs into the United States and to prevent drug abuse, especially among our youth. This is a bold, confident plan, which simultaneously attacks organized criminal trafficking in drugs and international production and exporting of illicit narcotics and seeks to reduce demand for drugs.

I have charged two Cabinet-level councils with responsibility for domestic enforcement and international narcotics control and for overseeing health-related drug programs. The South Florida Task Force on Crime made significant inroads on narcotics trafficking, and we have announced plans to create similar task forces in other regions. My staff and interagency teams are coordinating a nationwide prevention effort—with a strong assist from my wife, Nancy—that involves government, health institutions, business, educational institutions, the media, other private sector interests, and importantly, parents and parent groups.

I have described drug abuse as one of the gravest problems facing us internally. We must undertake vigorous policies and programs at home and overseas where the major drugs are produced. In that context, I am pleased to be able to say that we have been cooperating very actively with the Government of Colombia. For several years we have been engaged in cooperative efforts to help improve the enforcement and interdiction efforts within Colombia against cocaine, marijuana, and other drugs. We have seen some good results. We hope in the future that we can work together to expand this cooperation on supply control. Such cooperation, together with progress on the demand side against drug abuse in the U.S., is the only way to effect a permanent

improvement in the situation. My administration has committed more than $900 million per year to this effort, the majority of those funds being spent on reducing drug abuse within the United States.

Colombia and the Nonaligned Movement

Q. What is the Reagan administration's reaction to President Betancur's intention to join the nonaligned movement?

The President. Colombia is a sovereign nation with whom we have excellent relations, and it would not be appropriate for me to express an opinion about its relations with others.

Costa Rican Democracy

Q. Many Costa Ricans believe that the present economic and security crises in Costa Rica and the area endanger our democratic system. What is your administration prepared to do to avoid the destruction of Costa Rican democracy?

The President. There are few countries in the region which have a better understanding of the economic and security challenges facing Central America and the Caribbean today than your own. In his speech to the free elections conference in Washington, D.C., President Monge said that in your February 7 elections, the Costa Rican people confirmed their faith in democracy as the means of resolving your country's economic problems. I share that faith in the democratic process, and agree that economic health is key to a secure future for the entire Caribbean Basin.

While congressional approval of the $350 million supplemental appropriations addresses some of the more immediate concerns, I think we must be equally concerned about the medium- and long-term issues addressed by the trade and investment portions of my own government's Caribbean Basin Initiative. This is a major policy priority for my administration, and we are actively working with Congress to enact those remaining parts of the CBI legislation in the congressional session now underway in Washington.

President Monge's leadership in the recent San Jose conference represented both a growing consensus among the democratic countries of the region as to the conditions necessary for peace, and a commitment among us all to find the means for reducing those tensions. During the past year we have seen free elections and orderly changes of government in Honduras, Costa Rica, El Salvador, the Dominican Republic, and Colombia—all signatories of the San Jose final act. The challenges are real, but so is our commitment to succeed.

President's Meetings With Latin American Leaders

Q. In less than 6 months, President Monge has met with you twice in Washington. Now you will meet with him in San Jose. This level of contact is higher than usual in traditional relations between Costa Rica, and the majority of Latin American countries, and the United States. What is the reason for these close contacts?

The President. We cannot afford to forget that ony a few years ago, Costa Rica, long an historic model for democratic government in the hemisphere, was also virtually alone. In just the last year, six of the countries that participated in the recent San Jose conference conducted free elections and witnessed an orderly change of government. Democratic government has taken the initiative in addressing the economic, social, and political challenges facing the region. This will be my third meeting with President Monge, and it reflects both the common values which we bring to the issues and a recognition that the democratic process itself offers a better alternative than the historic and simplistic choices of the extremes of a violent right or a violent left.

U.S. Assistance to Honduras

Q. We know that the North American Congress has passed strict legislation with regard to sending United States troops outside the country; however, the President has the power to send troops for 30 days. In the event of Nicaraguan aggression against Honduras, could our country depend on the concrete assistance of the United States?

The President. The obstacles to peace in Central America stand clearly exposed, as the countries of the region grapple with severe economic challenges, demands for social justice and reform, strains on public

services, and violence frequently born out of extremist solutions. Your own country has been in the forefront in having proposed constructive solutions to resolve these tensions.

Economically, we have collaborated on both the immediate and longer term solutions, and I am optimistic that my own administration's Caribbean Basin Initiative will receive congressional action shortly to address the pressing requirements in the trade and investment areas.

Politically, the recent San Jose conference final act reflected your own country's diplomatic initiatives aimed at reducing the likelihood of further military conflict in the region. As one of the eight democratic governments which signed that final act, the United States supports the growing regional consensus on those conditions necessary for peace in the region. As you know, the level of U.S. economic and military assistance to Honduras has risen significantly over the past year in response to our shared concerns in Central America, and I think represents a clear indication of our support for your country's democratic efforts to surmount these problems.

Sugar Quotas for Honduras

Q. Our country, a friend and an ally of the United States, has witnessed with surprise the imposition of sugar quotas. What was the reason that Honduras was given a substantially smaller quota than the quotas of countries that are openly hostile to Washington?

The President. As I have explained before, the drop in world sugar prices and the congressional reaction to this development left us no choice but to impose temporary sugar import quotas to protect our domestic producers. Quota allocation is based on an average of a country's exports to the U.S. from 1975 (the date when the previous U.S. sugar program expired) through 1981, excluding each country's high and low performance years. The Honduran allocation was determined by this nondiscriminatory formula, which we are applying across the board to all countries in accordance with our international trade obligations.

Note: The questions were submitted to the President by the Jornal do Brasil and O Estado de São Paulo, from Brazil; El Espectador, El Mundo, and El Colombiano, from Colombia; La Prensa, from Honduras; and La Nación, from Costa Rica.

Proclamation 5002—Modification of Quotas on Certain Sugars, Sirups and Molasses

November 30, 1982

By the President of the United States of America

A Proclamation

1. Headnote 2 of subpart A of part 10 of schedule 1 of the Tariff Schedules of the United States (19 U.S.C. 1202), hereinafter referred to as the "TSUS", provides, in relevant part, as follows:

"(i) . . . if the President finds that a particular rate not lower than such January 1, 1968, rate, limited by a particular quota, may be established for any articles provided for in items 155.20 or 155.30, which will give due consideration to the interests in the United States sugar market of domestic producers and materially affected contracting parties to the General Agreement on Tariffs and Trade, he shall proclaim such particular rate and such quota limitation, . . ."

"(ii) . . . any rate and quota limitation so established shall be modified if the President finds and proclaims that such modification is required or appropriate to give effect to the above considerations; . . ."

2. Headnote 2 was added to the TSUS by Proclamation No. 3822 of December 16, 1967 (82 Stat. 1455) to carry out a provision in the Geneva (1967) Protocol of the General Agreement on Tariffs and Trade (Note 1

of Unit A, Chapter 10, Part I of Schedule XX; 19 U.S.T., Part II, 1282). The Geneva Protocol is a trade agreement that was entered into and proclaimed pursuant to section 201(a) of the Trade Expansion Act of 1962 (19 U.S.C. 1821(a)). Section 201(a) of the Trade Expansion Act authorizes the President to proclaim the modification or continuance of any existing duty or other import restriction or such additional import restrictions as he determines to be required or appropriate to carry out any trade agreement entered into under the authority of that Act.

3. Headnote 3 of subpart A of part 10 of schedule 1 of the TSUS was modified by Proclamation No. 4941 of May 5, 1982 (47 F.R. 19661) in order to carry out the trade agreement described in paragraph 2 of this Proclamation and the International Sugar Agreement, 1977 (T.I.A.S. 9664, 31 U.S.T. 5135).

4. I find that the additional modifications of Headnote 3 which are hereinafter proclaimed are appropriate to carry out the trade agreement described in paragraph 2 of this Proclamation and the International Sugar Agreement, 1977 (T.I.A.S. 9664, 31 U.S.T. 5135), and give due consideration to the interests in the United States sugar market of domestic producers and materially affected contracting parties to the General Agreement on Tariffs and Trade.

Now, Therefore, I, Ronald Reagan, President of the United States of America, by the authority vested in me by the Constitution and statutes, including section 201 of the Trade Expansion Act of 1962, section 301 of Title 3 of the United States Code, and the International Sugar Agreement, 1977, Implementation Act (7 U.S.C. 3601 *et seq.*), and in conformity with Headnote 2 of subpart A of part 10 of schedule 1 of the TSUS, do hereby proclaim until otherwise superseded by law:

A. Headnote 3 of subpart A, part 10, schedule 1 of the TSUS is further modifed by adding at the end thereof the following paragraph:

"(ij) The Secretary may exempt the entry of articles described in items 155.20 and 155.30 from the requirements or limitations established pursuant to this headnote on the condition that such articles: (1) be used only for the production (other than by distillation) of polyhydric alcohols, except polyhydric alcohols for use as a substitute for sugar in human food consumption; or (2) be re-exported in refined form or in sugar containing products. Such articles shall be entered under licenses issued pursuant to regulations promulgated by the Secretary. In promulgating such regulations, the Secretary shall give due consideration to the interests in the U.S. sugar market of domestic producers and materially affected contracting parties to the General Agreement on Tariffs and Trade. Such regulations may contain any terms, conditions, bonds, or other limitations as the Secretary determines are appropriate to ensure that articles imported under license are used only for the purposes specified in this paragraph. This paragraph shall terminate whenever paragraphs (b), (c), (d), and (e) of this headnote are terminated under paragraph (f) of this headnote.".

B. The provisions of this Proclamation shall be effective as of the day following the date of its signing.

In Witness Whereof, I have hereunto set my hand this 30th day of Nov. in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 4:35 p.m., November 30, 1982*]

Remarks on Arrival in Brasilia, Brazil
November 30, 1982

I am delighted to be here in Brazil, to have the opportunity to see this city which is famous the world over as an expression of Brazil's confidence in its destiny. I look forward to strengthening my friendship with President Figueiredo, so warmly begun in

May, and to continue the discussions we began in Washington.

We're here on a working visit. In addition to Secretary of State Shultz, I have with me Treasury Secretary Regan and our Trade Representative, Ambassador Brock, and other leaders of our government. We're prepared to discuss a wide range of subjects.

I also look forward to learning firsthand about this giant country and the contrast between this city and São Paulo, which is so well know the world over as an industrial and metropolitan wonder.

Our societies are similar in that we both have a frontier tradition, an openness, and vision for greatness. The roots of our nations are also similar. We are both melting pots—nations that succeeded in giving their citizens, no matter what their origins, an opportunity to share with their initiative, hard work, and intelligence in the vision of freedom: freedom to worship and to work in dignity for a better life.

You in Brazil have great dreams, and a vast nation blessed with enormous resources in which to fulfill them. Here in Brasília we see dramatic proof of the spirit of a people with unlimited drive, determination, and confidence in their future. We all know of the strong and steady advance of Brazil both domestically and internationally. Your elections November 15th demonstrate Brazil's confidence in itself and its stability in freedom. Similarly, the management of the Brazilian economy through times of economic difficulty around the world inspires us all that our present problems can be overcome.

And while we may have areas of disagreement, we also have a great deal in common. I'm sure our talks will be fruitful and prove beneficial to both our countries.

On behalf of the people of the United States I bring you our good wishes and friendship. And, President Figueiredo, thank you for welcoming me. I already feel at home.

Note: The President spoke at 10:42 p.m. at the ceremony at Brasília International Airport.

Following the welcoming ceremony, the President went to the Palacio da Alvorada, where he remained overnight.

Letter to the Speaker of the House and the Chairman of the Senate Foreign Relations Committee Reporting on the Cyprus Conflict

November 30, 1982

Dear Mr. Speaker: (Dear Mr. Chairman:)

In accordance with the provisions of Public Law 95–384, I am submitting the following report on progress made during the past 60 days toward reaching a negotiated settlement of the Cyprus problem.

Intercommunal negotiations resumed on November 9 following a one and one-half month recess and continue to focus on various elements of the U.N. Secretary General's evaluation document. The two parties remain committed to these U.N.-sponsored talks and to working for progress in this forum. We continue to believe that it represents the most fruitful course for negotiating progress. The parties are engaged in a genuine dialogue which has made it possible for each side to define its positions.

On October 6, Secretary Shultz and Cypriot President Kyprianou met in New York during the United Nations General Assembly and exchanged views on efforts to reach a settlement to the Cyprus problem. In addition, Mr. Christian A. Chapman, a senior Foreign Service Officer newly appointed by the Secretary of State as U.S. Special Cyprus Coordinator, traveled in early November to Cyprus where he met with President Kyprianou, Turkish Cypriot leader Denktash, the intercommunal negotiators, and U.N. Special Representative Gobbi. Mr. Chapman will coordinate our support for the efforts of the Secretary General and Ambassador Gobbi.

I wish once again to affirm my commitment, and that of this Administration, to the search for a just and lasting solution to the problems of the people of Cyprus.

Sincerely,

RONALD REAGAN

Note: This is the text of identical letters addressed to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and Charles H. Percy, chairman of the Senate Foreign Relations Committee.

Message to the Congress on the Strategic Petroleum Reserve
December 1, 1982

To the Congress of the United States:

This is to advise the Congress that pursuant to Section 160(c)(1)(B) of the Energy Policy and Conservation Act (Public Law 94-163) as amended by Section 4(a) of the Energy Emergency Preparedness Act of 1982 (Public Law 97-229), I find it would not be in the national interest to fill the Strategic Petroleum Reserve at the rate of 300,000 barrels per day during Fiscal Year 1983.

When my Administration took office 22 months ago, one of my first actions was to direct a rapid acceleration of the pace of oil acquisition for the Strategic Petroleum Reserve. As a result, the fill rate during Fiscal Year 1981 averaged over 290 thousand barrels per day. The fill rate for Fiscal Year 1982 averaged 215 thousand barrels per day. This contrasts sharply with the average fill rate of less than 77 thousand barrels per day achieved during the four years of the prior Administration. Of the 288 million barrels now in the Strategic Petroleum Reserve, 178 million barrels, or 61 percent, were added during my Administration.

This Administration has also entered into long-term purchase commitments that will give greater assurance of maintaining our fill rate objectives over the coming year while lowering the cost of building the reserve.

Another major policy action instituted at the start of this Administration—immediate decontrol of the domestic oil market—has also contributed greatly to our energy security by reducing oil imports and stimulating domestic production. In the 22 months of my Administration, oil imports have declined dramatically. Our dependence on imports from OPEC sources is now only 51 percent of the 1980 level.

As a result of rapidly implementing these policy actions to enhance our energy security, the oil on hand today in the Strategic Petroleum Reserve would provide 130 days of complete replacement for OPEC imports in the event of an embargo. That is nearly six times the level of protection our nation averaged in 1980.

The commitment of this Administration to building and maintaining an adequate Strategic Petroleum Reserve is clearly demonstrated by the record of accomplishment. But we are equally committed to carrying out this program in the most efficient, cost-effective manner. The fill rate at which we plan to operate during 1983 reflects a careful balance between these two objectives. To operate at the 300,000 barrel per day rate would require extensive use of temporary storage facilities, which would significantly increase the cost of the program for very limited incremental benefit.

I must also note that increasing our fill rate objective to 300,000 barrels per day in Fiscal Year 1983 would force additional expenditures of over $1 billion. In the current economic climate, I believe that this additional expenditure would be harmful to growth and job creation because of the increased Treasury borrowing it would necessitate. Compliance with the increased fill rate would thus be inappropriate due to economic conditions affecting the general welfare.

RONALD REAGAN

The White House,
December 1, 1982.

Question-and-Answer Session With Reporters Following Meetings With Brazilian President João Baptista de Oliveira Figueiredo in Brasilia

December 1, 1982

Q. Sir, can you tell us—[*inaudible*]—of Senator Kennedy's refusal to run in '84 will have on the race?

The President. Sam [Sam Donaldson, ABC News], I'm not going to comment on what I understand is just a rumor, and——

Q. He's making it official, sir, this afternoon.

The President. Well, if he's made it official, why, that's a problem for the Democratic Party, and they're welcome to it.

Q. What about the Lebanon situation? Are you going to give more troops to Lebanon that President Gemayel has asked for?

Q. Mr. President, are we going to give the Brazilians some help with their economic problems, sir?

The President. Let me—[*inaudible*].

Q. Sir, what about the Lebanon situation?

The President. Lebanon has made a request. They believe that a bigger multinational force would speed up and help them in removing the other foreign forces that are in Lebanon. This has been talked about for some time. It's not a new idea presented to us. And we will be talking to friends and allies about that and taking it up with them, because we want to do whatever we can to help get the foreign forces out of Lebanon. That's the first important step for beginning——

Q. When do you think you can get the foreign forces out?

Q. When can you get them out now, and how soon could you bring them home?

The President. We're not discussing that now. We're discussing how the multinational force can aid the Lebanese Government in getting control of its own country and getting the Syrians, the PLO, and the Israelis out of Lebanon.

Q. A few more troops, would that help? If we offered a few more troops, would that help?

The President. Well—[*inaudible*]—not only for ourselves. The request has simply been made for the multinational force—but to see if there are other nations that would like to join in that force.

Q. Now, are we going to give Brazil some help with its economic problems, sir?

The President. This has got to be the last question, they tell me, because of the time element here.

We've had a very good meeting this morning. And we have——

Q. He's translating, sir.

The President. Oh, you're translating. Oh, fine.

We've had a very fine meeting on this and on a number of other subjects here, and have come to some agreements about future cooperation and all. And, yes, we look forward to working with Brazil on their economic problems as well as our own and, as I say, have a fine understanding. And it was worthwhile.

Q. Do you think that they'll be able to get enough credit, sir, so——

Q. Are we going to give them some money, sir?

The President. No, there has been a bridge loan, you might say, which is just a part of the entire economic process that is going on. And these meetings have been very successful.

Q. Are you going to help them on trade?

The President. What?

Q. Are you going to help them on trade, sir?

The President. We haven't gotten down to much of that, except that we can say this for Brazil, that in the GATT meeting just concluded, Brazil's contributions in the discussions there in GATT were most impressive and, certainly, most pleasing to us and to our own point of view there with regard to GATT. They were most helpful—[*inaudible*].

Q. What about the export subsidies?

Q. You're not going to do what Kennedy did, are you?

The President. We're holding up Presi-

dent Figueiredo. He cannot get down—[*inaudible*].

Q. Well, are you going to do what Kennedy did? You won't take yourself out of the race will you?

The President. What?

Q. You won't take yourself out of the '84 race, will you?

The President. You know, I don't believe that there's much of a record of me imitating Teddy Kennedy. [*Laughter*]

Note: The exchange began at 11:32 a.m. in the Palacio do Planalto. Earlier, the President had met privately with President Figueiredo in the Brazilian President's office, and then they met, together with their delegations, in the President's Cabinet room.

In the afternoon, President Reagan attended a private luncheon hosted by President Figueiredo at the Brazilian President's residence, Granja do Torto. Following the luncheon, President Reagan returned to the Palacio da Alvorada and, in the early evening, hosted a reception for a group of members of the Brazilian Congress.

Toast at a Dinner Hosted by Brazilian President João Baptista de Oliveira Figueiredo in Brasilia

December 1, 1982

President Figueiredo, thank you for your cordial welcome.

There is an old saying in Brazil that says, "The United States is a very big country, but Brazil is colossal." Flying for hours in a jet aircraft gives one a sense of just how colossal Brazil is. In fact, the only thing larger than Brazil is the heart and good will of the Brazilian people. You, Mr. President, and all Brazilians have said *bem vindo*—welcome. And we do feel welcome and at home.

I'm told that 77 years ago the Baron of Rio Branco, that great Brazilian diplomat, in referring to the arrival of one of Secretary Shultz' predecessors, Elihu Root, is supposed to have said, "His eyes may not be dazzled by our small material progress, but his American philosophy will surely be pleased to note the new phenomena in the Brazilian nation: activity, energy, and hope." Well, I can assure you that my American philosophy is still very much in tune with Brazil's phenomenal activity, energy, and hope. I must also admit that my eyes are dazzled by the progress of the Brazilian nation.

Clearly, the postwar period, the time when relationships were still determined by the monumental events of the Second World War, is over. Old patterns are giving way to new relationships. Economic and political power once concentrated in the hands of a few is being spread, as it should, among many nations. This is a result not of redistribution, but the creation of vast new wealth, generated by modern technology, creative enterprise, and hard work.

President Figueiredo, you capsulized it well at the United Nations when you said, "The extraordinary release of productive forces on a worldwide scale in the postwar period wrought within a few decades the intricate patterns of a different world, a complex and unstable world, but also a diversified and promising one." Well, Mr. President, I was very much impressed by the depth of analysis and the strength of conviction of your speech at the United Nations.

Today, Mr. President, I renew my pledge to maintain with you the closest of consultation. Friendship does not mean total agreement; instead it suggests shared values, ideals, mutual respect, and trust. And this is certainly true of the Brazilian and American peoples. I know, Mr. President, it is true of you and me as individuals. Our countries, as friends, and we, as leaders of these great nations, will work together to overcome the challenges we face to our prosperity and freedom.

Recently, our economies have been hard hit by recession, something experienced in

most of the world. In the United States, as you're doing here in Brazil, we're taking the painful steps necessary to overcome the economic crisis that threatens our people.

Self-discipline is necessary; so, too, is mutual accommodation. Borrowers must move to restrict their deficits. But it is just as important that lenders not withhold new funds from countries which adopt effective stabilization plans. Lenders and borrowers must remember that each has an enormous stake in the other's success.

Similarly, the integrity of the world trading system must be preserved, so it can serve once again as the great engine of growth. Closed markets must be carefully opened. Open markets must be shielded from protectionism. Our challenge is to make our trading and financial relationships remain a source of prosperity and strength—not become a source of discord and disagreement.

Toward that end, we believe that economic relationships among the trading nations of the world must rest on three main pillars. First, a spirit of cooperation. Our economies are so clearly intertwined that our best hope for growth is to act in concert and not in isolation. Nothing is more destructive than unilateral decisions by individual countries to cut back trade or financial flows. We cannot prescribe what the private sector should do. But our aim should be government and private relations that can be relied upon. Second, a spirit of fairness. In today's climate there is a powerful temptation for countries to take action at the expense of their neighbors. We've seen in the past the damage that can do. Finally, there must be a spirit of commitment—commitment to stable economic growth shared by nations around the globe.

The debt problems facing many nations today are imposing, and we must act together to ensure that we have the tools to deal with them. The resources of the International Monetary Fund are one of the most important of these tools. To assure the adequacy of the IMF resources, the United States has proposed that in addition to an increase in the IMF quotas, there should also be a special borrowing arrangement to meet the demands that may be placed on the IMF. Where countries need assistance as they seek IMF funding, those able to do so must act to provide bridging funds.

We also need trading rules that reflect the enormous changes in world trade that have occurred since GATT was established 35 years ago. The meeting which has just ended in Geneva was a useful step along that road, but we still have a long way to go.

Many countries will need to pass through a painful period while making necessary adjustments in the years ahead, and we must work closely together during this transition. We will work with you to help the international system evolve so as to bring a brighter economic day to all our people.

At times it's too easy to be lured into the trap of seeing only the problems, pitfalls, and vulnerabilities of the journey. This is especially true in a period of economic crisis. President Figueiredo, the United States is overcoming its crisis, and I want you and all Brazilians to know that we're confident that Brazil will surmount its current difficulties.

There's an old saying here that "Nothing stops Brazil." Well, Mr. President, nothing will stop Brazil. We're confident, because we know the character of your people. Our citizens came from the same mold. We are nations of immigrants. Our national soul was honed on the frontier, by people with the courage to leave the familiar and face the unknown. This is the heritage of your land and mine.

The people who came here wanted to better their lives and the lives of their children. The frontier of the New World didn't offer streets paved with gold. It offered opportunity and the spirit of freedom. Today, freedom-loving people around the world are tremendously encouraged by your stable transition back to democracy.

History proves that the freer a people become, the more their creative energies are unleashed. You touched on this last year when you outlined your commitment to representative government. "Democracy," you said "is none other than a system in which every individual has the chance to play a highly responsible and active role on the stage of national politics, rather than the role of a mere passive spectator."

Last month about 50 million of your countrymen became political activists instead of spectators. Your legislative and gubernatorial elections demonstrated the vigor and vitality of the democratic ideal in this hemisphere. We salute you, President Figueiredo, for your strong leadership in opening this new frontier—or chapter, I should say, in your country's history, and we salute your fellow countrymen as well. From all accounts, your elections were much more than political contests; they were a celebration of freedom.

What we strive for is a hemisphere where the future is determined not by bullets, but by ballots—a hemisphere of countries at peace with themselves, and one another, and at peace with the world.

The peace we've known has been a precious asset for the Americas. Instead of allocating a great share of their resources on military spending, the developing countries of this hemisphere have invested in the future. And this has been no accident. From the Pan American Union to the Treaty of Rio de Janeiro and the Organization of American States, this hemisphere has been in the forefront of multilateral, international cooperation. No other region in the world can match our record.

Mr. President, I cannot forget that when last we met the hemisphere faced a crisis in the South Atlantic, and your country was a voice of moderation and reason. We both found to be unacceptable the first use of military force to resolve that dispute. Underlining our support of this principle, the United States recently joined with Brazil and other countries of the hemisphere in calling upon Great Britain and Argentina to negotiate their differences.

As your speech before the United Nations suggested, Brazil's concern for peace extends far beyond this hemisphere, especially in an age when the weapons of destruction threaten all mankind. Let me assure you tonight, and all of our friends in this hemisphere, the United States is absolutely determined to maintain peace and bring the nuclear arms race under control. Here again our hemisphere has an exemplary record through the nuclear-free zones defined by the 1967 treaty of Tlatelolco, we have already demonstrated the kind of progress that can be achieved in this vital area of arms control.

Brazil can take great pride that it's a country with a long border touching more nations than any other in this hemisphere, and yet you remain at peace with your neighbors. This is a gift from a former generation of Brazilians, such as the Baron of Rio Branco, who, with vision, hard work, and a spirit of fairness and compromise, resolved difficult problems. Together, we should strive to pass on that same gift to future generations in our hemisphere.

But just as threatening as conventional armies or nuclear weapons are counterfeit revolutionaries who undermine legitimate governments and destroy sources of economic progress; insurgents who are, at great expense, armed by the surrogate of a faraway power; a power that espouses a philosophy alien to the Americas, whose goal is the destabilization of our governments and our economies. This is aggression, pure and simple.

When President Dwight Eisenhower visited this city in 1960, even before it was consecrated as your capital, he stressed the commitment of the United States to the charter of the Organization of American States and the Mutual Assistance Treaty of Rio de Janeiro. Today I reaffirm that commitment and that pledge. We stand firmly with the other responsible nations of the Americas in opposing those who with violence and force of arms try to undermine economic progress and political stability.

The government among the American States, of course, is as much moral as it is legal. A great Brazilian statesman, Joaquim Nabuco, understood this when, at the turn of the century, he noted: "Our alliance is . . . a completely peaceful one, which shines outside of the American orbit only to let the rest of the world know that it can be called the hemisphere of peace." Those words reflect the goal of the United States, a hemisphere of peace.

Tonight, I want to share with you a dream I have about the Americas. Joaquim Nabuco must have had a similar dream when he called for us to be the vanguard of civilization. It's a vision of two great land masses rich in opportunity and resources,

populated by people from every part of the world, every race and background, living together, trading together in peace and freedom, people who share a desire for liberty and a respect for the rights of others, a people who know that with ingenuity and enterprise no obstacle is too great, people who share a belief in those fundamental values of God, family, and justice that give meaning to our existence.

What is so remarkable is that this dream is within the grasp of this generation. We have a hemisphere composed of 600 million hardy souls. We have the resources and the know-how. Just as important, we have a wellspring of good will between us that waits to be tapped. With faith, commitment, common sense, and strength of character, we can meet the challenges to our peace and prosperity.

No one should be disheartened by the dark night of problems that surround us. There's a beautiful sunrise coming, and when it does, as Nabuco said, we can shine as an example to the rest of the world. We can and will be a hemisphere of peace, of prosperity, and of freedom.

On a personal note, Mr. President, I was deeply moved not only by the unique gesture you made today in offering the Granjo for a delightful lunch and meeting but also the warmth and hospitality that you've shown to me and my Cabinet officers.

President Figueiredo, all of you, it has been an honor to be with you this evening. Please accept on behalf of the American people our warmest wishes of friendship, admiration, and respect.

And now, would you join me in a toast to President Figueiredo, to the people of Bolivia [Bogotá] [1]—that's where I'm going—to the people of Brazil, and to the dream of democracy and peace here in the Western Hemisphere.

Note: The President spoke at 9:50 p.m. in response to a toast proposed by President Figueiredo. The dinner was held at the Palacio do Itamaraty.

Following the dinner, President Reagan returned to the Palacio da Alvorada, where he remained overnight.

Remarks at the United States Embassy in Brasilia, Brazil
December 2, 1982

Thank you very much, and it's good of all of you to be here. Thank you for coming. I was afraid we might not have a good turnout. [*Laughter*] Someone told me that those of you fortunate enough to live in 113 normally prefer to hang around home. [*Laughter*]

Well, in contrast to the Secretary, as you know, this is my first visit to South America and to Brazil, and it's an exciting country. And the capital is particularly intriguing. Like many of you, I can remember when Brasília was no more than a gleam in the eye of its designer. The world has changed. Brasília is now a major world capital. And this Embassy is one, as you've been told, of our most important missions.

Brazil is a key political and economic force in the region and an increasingly important actor on the world political stage. The relations between our two countries are now entering a period where the need for cooperation is perhaps greater than ever before. And it's to reinforce the importance the United States attaches to Brazil that I've come here to continue the discussions that President Figueiredo and I began last May when he visited us in Washington.

Ambassador Motley tells me the Embassy staff is first rate, that you are doing an outstanding job, and that you stand ready to assist in this task of strengthening our relations with Brazil. I don't think we need any proof of that beyond the help that, as George said, you've already given us in arranging this visit. From the very beginning,

[1] *White House correction.*

the cooperation that we've received from the Embassy and the Consulate-General in São Paulo has been exceptional. You have all put in a lot of time and hard work. And I want you to know that your efforts are truly appreciated.

Now, there was just one slipup. The schedule said this morning that I was to wake up at 8 o'clock. I woke up at 7—[*laughter*]—you know, the change of time and all.

Very few Americans realize what a unique and special group you are—the handful of Americans who represent and serve our country abroad. The tasks you face are enormous. You often live in conditions of hardship and frequently in danger; and under the most extreme conditions, such as Iran, you've proved your mettle above and beyond the call of duty. Even in less difficult circumstances, you must uproot your families, frequently, begin new lives in countries where you serve, often finding it necessary to overcome the barriers of foreign language and different customs.

Secretary Shultz has told me of the superb job that our Brazilian colleagues on the Embassy staff do, year in and year out. I always get a kick out of the Washington columnists who regularly refer to our missions around as the "striped pants set." I wonder where they get their material? I do not see any striped pants here. [*Laughter*] What I do see is a group of hard-working, dedicated individuals—Americans and Brazilians—who make up a team that I'm proud to be a part of.

So, you keep up the good work. And thank you very much for all that you're doing, and God bless you.

[*The President spoke at 9:22 a.m. inside the Embassy. He then went outside and spoke to members of the American community in Brazil at 9:32 a.m.*]

Mr. Secretary, Mr. Ambassador, you ladies and gentlemen:

I'm very pleased, honored to have the opportunity to participate in the unveiling of this plaque that commemorates my visit.

I think it's significant that the first plaque on the wall commemorated the 1958 visit of Secretary John Foster Dulles, who came to dedicate the grounds of this Embassy. And we're delighted to have with us Ellen Dulles Coelho, John Foster Dulles' granddaughter, who is living here in Brasília—and I know is someplace here, but I haven't been able to pick out. Would you raise your hand? There. Well, pleased to have you here.

The United States was the first country to establish an Embassy in Brasilia, symbolic of the pioneer spirit that characterizes our two peoples. And the young people here from the American School of Brasilia are living proof of this. I think a student body with Brazilians, Americans, and other nationalities studying and playing together is a lesson for all of us. We can cooperate and resolve our disputes in a spirit of friendship.

There's another plaque here, one commemorating the 1960 visit of President Eisenhower. He was a statesman who understood and deeply appreciated the importance of building and maintaining good relations between Brazil and the United States. And on returning from his visit to Brazil, he told the American people, "Brazil treasures as much as we do freedom, human dignity, equality and peace with justice." Well, on this visit and on this occasion, may I just say, I share his views, and I'm sure that all of us do. And this is a great example as these two great nations have found these bonds of friendship between us.

And now, I'm not going to keep you waiting any longer. I'm going to unveil the plaque.

That's better than winning an Oscar. [*Laughter*]

Note: Following his appearance at the Embassy, the President went to the Palacio do Planalto, where he met with President Figueiredo. He then left Brasilia for a visit to São Paulo.

Remarks to Reporters on Action by the House Appropriations Committee Supporting Production of the MX Missile
December 2, 1982

The President. I just have a brief statement here regarding some news that has come to us from the Capitol.

Today's vote in favor of the peacekeeping missile system by the House Appropriations Committee is a vote for a stronger, more secure America. I applaud the judgment of the members of the committee, and I urge the full House to show similar wisdom by approving the committee position.

This program is essential to the ability of the United States to maintain a credible deterrent on land, in the air, and on the sea. Moving forward on schedule will also greatly increase the prospects for a meaningful strategic arms reduction agreement between the United States and the Soviet Union.

Q. Well, Mr. President, you almost lost that one. Aren't you a little sorry that this goes right to the floor?

The President. No. We wanted to get it out of the committee. And we're not jumping up and down and claiming a victory, because we know it's going to be a very tough battle on the floor. I assume it'll come to a vote probably next week sometime, and I just hope that the floor will follow the committee's recommendation.

Q. Your chief sponsor on the floor—on the committee, Mr. Edwards, viewed it as a weak—because it weakens the administration's position.

The President. Well, I consider a win a win. And, frankly, it was in danger of not getting out of the committee, and it did. And I have been making a few calls, thanking some of the people who helped bring that victory——

Q. Are you going to start lobbying when you get home?

The President. What?

Q. Lobbying Members of this Congress when you get home for that vote next week?

The President. Well, I'll find out when I get home what needs to be done, and do whatever needs to be done to—if I can be of help.

Q. What gives you any optimism that you can win on the floor?

The President. What's that?

Q. What gives you any optimism you can win on the floor?

The President. Well, because right is on our side. And I have to believe that if they'll think about it, they'll realize that this is absolutely essential to the process that is going forward in Geneva. It could be very destructive to our efforts at peace and disarmament if they don't do it.

Note: The President spoke at 2:48 p.m. in the Salão dos Despachos of the Palacio dos Bandeirantes in São Paulo, Brazil.

Remarks to American and Brazilian Businessmen in São Paulo, Brazil
December 2, 1982

Governor Marin, *obrigado.* Thank you very much. I've looked forward to this day. It's an honor to speak to men and women of enterprise here in São Paulo. This city was built by innovation and hard work in a spirit of confidence and hope.

I bear heartfelt wishes of friendship from your neighbors to the north who, like you, are Americans, citizens of this New World. Like you, they yearn deeply for peace, share your love for democracy and your commitment to build a future of progress and opportunity. On their behalf, to all of you, I say *estamos com o Brazil e não mu-*

damos. We are with you, Brazil; we will not waver.

We look to Brazil with the admiration and respect that is due a great nation. One of your renowned writers, Monteiro Lobato, lived in our country in the 1920's and the 1930's. And while there he wrote a book called "America," in which he said, "The Brazilian considers his country the marvel of marvels, but with one single defect, that it is not known well abroad." Well, if he were writing today, he could still say Brazil is the marvel of marvels, but he would have to admit that your reputation has caught up with your achievements.

We hear it said, in a world wracked by political tensions, recession, poverty, energy shocks, debt, high interest rates, and inflation, that there is little hope for a new era of lasting growth and prosperity. I would never minimize the problems we face or the urgent need to deal effectively with them. I'll talk about them in a minute.

But, you know, I just have to say I've been around for quite a few years now—I keep being reminded of that. I've lived through world wars and economic depression, and what's impressed me even more than those terrible crises is mankind's unending courage to bounce back, to struggle, to find new cures and novel solutions. To all those doom-criers—and they're worldwide—we have a message: The hope of the world lives here in the New World, where tomorrow is being built today by brave pioneers like yourselves, people who believe in each other and who will never lose their faith in the future.

In that remarkable speech that President Figueiredo gave to the United Nations, he expressed his confidence in the world community's capacity for renewal. He said of Brazil, "We have made considerable efforts toward economic development, with promising results which fill with hope not only the people of Brazil but also all peoples yearning to attain standards of living compatible with human dignity and modern development."

I share his confidence. May I also share with you today a dream that I've long had: a dream of strengthening our relations with Brazil and with all our neighbors here in the Western Hemisphere.

On this shrinking planet, the drive for renewal, economic progress, and the leadership for world peace must increasingly come from the New World. Here we are blessed with great abundance: resources, technology, and most important, the spirit of freedom—a spirit that harnesses our energies to pursue a greater good.

There is, in the world today, a counterfeit revolution, a revolution of territorial conquest, a revolution of coercion and thought control, where states rule behind the barrel of a gun and erect barbwire walls, not to keep enemies out, but to keep their own people in.

The real revolution lives in principles that took root here in the New World. The first principle says that mankind will not be ruled, in Thomas Jefferson's words, "by a favored few." The second is a pledge to every man, woman, and child: No matter what your background, no matter how low your station in life, there must be no limit on your ability to reach for the stars, to go as far as your God-given talents will take you.

Trust the people; believe every human being is capable of greatness, capable of self-government. This is the soul of our revolution, the soul of democracy and freedom. It's the New World's gift to the Old. Only when people are free to worship, create, and build, only when they're given a personal stake in deciding their destiny, and benefiting from their own risks—only then do societies become dynamic, prosperous, progressive, and free.

In terms of geography, Brazil is of the south and the United States the north. But in terms of historical ties and fundamental values, we are nations of the west and the New World. And we're among the few nations which exercise worldwide influence and responsibility.

As Americans from the north or south, whether we're leaders in government or private industry, we must work harder to break down barriers to opportunity for our people. We must marshal every possible asset for growth. We must insist on sound economic policies at home and more open trading and financial systems around the world.

The great republics of South and North America and the Caribbean have virtually unlimited potential for economic development and human fulfillment. We have a combined population of more than 600 million people. Our continents and islands boast vast reservoirs of food and raw materials. The markets of the Americas have produced high standards of living. We offer hope to oppressed and impoverished people. We're nations of immigrants. Our resources have made the New World a magnet for migration from all continents. But it has been the vision, the enterprise, the skill, and the hard work of our people that has created our wealth and well-being.

The developing countries of this hemisphere have achieved a record of soaring growth over the last generation—growth in savings, investment, work, and resources; growth from open world markets for trade and finance; growth from private initiative, risk, and reward—the cornerstones of both economic and political freedom.

When we in the States look at Brazil, we see the success of an economy that grew fourfold in 20 years, more than doubling per capita income; the promise of tomorrow in Brazil's youth—with one-half your population under 21, and becoming better educated every year; a confident response to the challenge of the eighties—diversifying your economy and exports with new markets and technologies; leadership and vision in daring projects like Itaipu, which will be the largest hydroelectric dam in the world; and a strong energy substitution drive, including the alcohol fuel program which is to power more than half your automobiles by 1985. We also see Brazil's modern pioneers exploring a frontier as challenging as the Amazon—space.

Well, today, I'd like to propose an idea to you—to have a Brazilian astronaut train with ours so that Brazil and the United States can one day participate in a shuttle launch together as partners in space.

Last night, I told President Figueiredo that the United States has confidence that Brazil will overcome its difficulties just as the United States will overcome its own. But we face serious problems. Your economy has been in recession, and so has ours. In the next decade, we must both provide millions of jobs for our people. By taking the necessary steps now, our countries can lead the world toward a new era of growth, but this time, growth without the albatross of runaway inflation and interest rates.

Three things are essential for full world recovery and development. We must each move to correct our domestic, economic, and financial problems. We must protect the integrity of the world's trading and financial systems. And we must work together to help the international system evolve and better assure our mutual prosperity.

The first, most important contribution that any country can make is to get its own economic and financial house in order. Many countries, including our own, did not do so. Somewhere along the way, the leaders of the United States forgot how the American growth miracle was created. We substituted government spending for investment to spur productivity, a bulging bureaucracy for private innovation and job creation, transfers of wealth for the creation of wealth by rewards for risk-taking and hard work, and government subsidies and over-regulation for discipline and competition from the magic of the marketplace.

For the United States, the way back has been hard. When my administration took over, we faced record interest rates and inflation and the highest peacetime tax burden in our history. Our recovery program is designed to help us make a long overdue transition to an investment-powered, noninflationary economy that will put the United States back on the cutting edge of growth.

We have cut the growth of Federal spending by nearly two-thirds, and soon we will have reduced personal income tax rates by 25 percent—well more than that, total tax rates. We have cut the top rate of tax on interest and dividend income, introduced strong, new incentives for savings, encouraged capital formation by permitting more rapid depreciation of plant and equipment, and aggressively pursued deregulation of markets in energy, transportation, and finance.

Many of these reforms have been in place for barely a year. Much more remains to be done. You can't wipe away decades of sin

with one year of penance. But confidence is returning to the United States. We believe recovery is in sight.

Inflation and interest rates have been brought down dramatically. Real wages are increasing for the first time in 3 years. Productivity is up sharply. Venture capital in small business—the best source of job creation and technological innovation—is near a record. The personal savings rate is at a 6-year high. Our equity markets have made an historic advance on record-breaking volume. And our bedrock industry, housing, has begun to rebound. We are also seeing signs of strength in auto sales.

We believe the door is now opening to a lasting, broadbased economic expansion over the next several years. As the world's largest single market, a prosperous, growing United States economy will mean increased trading opportunities for our friends in the developing world. Brazil is preparing to take advantage of these opportunities. Your country has been making the difficult reforms needed to renew expansion.

And this brings me to my second point. All of us are trying to work our way free from this tenacious recession. But we can always make a bad situation worse by damaging those powerful engines of growth—the world's trading and financial systems.

Over the last 20 years, Brazil has exported an expanding range of industrial and agricultural products, while developing its own raw material resources. Your role in the international trading system is now indispensable. Your potential is enormous.

There are some in the industrial world who view your success with apprehension. They fear being overwhelmed by your competition. They fear that one sector after another will be deindustrialized and redeployed to the developing world. Likewise, there are some in the developing world who attribute persistent poverty to industrial powers, whom they accuse of exploitation.

Well, I can't accept either argument. One need only look at the United States exports to the developing countries of this hemisphere—which have increased sixfold in a decade, the same as imports—to see that new competition brings new opportunities.

With so many out of work—in my country, yours, and others—protectionism has become an ugly specter stalking the world. One danger is protection against imports, erecting barriers to shut out the competitive goods and services of others in one's own markets. Another danger is protection of exports, using artificial supports to gain competitive advantage for one's own goods and services in the markets of others. The aim of these actions may be to protect jobs, but the practical result, as we know from historical experience, is the destruction of jobs. Protectionism induces more protectionism, and this leads only to economic contraction and, eventually, dangerous instability.

This brings me to my third point. Our crisis today is not between north and south, but between universal aspirations for growth and the longest worldwide recession in postwar history. But let us also acknowledge another fundamental fact of economic life: This recession has had a particularly painful impact on developing countries. They have suffered declining demand in world markets and falling access to financial markets. This greatly complicates our collective recovery.

So, if it's inevitable that borrowers must move to restrict their deficits, it's equally important that countries, like Brazil, that adopt effective stabilization plans be assured of continued financing. Lenders and borrowers must remember that each has an enormous stake in the other's success.

I concur with your President that we need solidarity and understanding. Last February I spoke before the Organization of American States in Washington. I pledged that our administration would seek a new relationship with the nations of the Caribbean and Central and South America. I said that we would approach our neighbors not as someone with still another plan, but as a friend, pure and simple—one who seeks their ideas and suggestions on how we could become better neighbors. And this is what we've done in Brasília. We discussed our problems, compared notes, and sought solutions.

Let me repeat: We want to go forward with you to help the international system evolve in ways that better assure our

mutual prosperity—and we will go forward.

To handle the liquidity crisis, we have agreed that the International Monetary Fund resources should be increased. We have also proposed a special borrowing arrangement to make sure that the IMF will have adequate funds to carry out its function.

The leading developing nations should all enter the world trading system as full partners. Then they can share more fairly in the gains from trade and, at the same time, assure more fully the obligations of the trading system. All we ask is that we examine together the mutual trading gains that can be achieved through reciprocal action.

I have enormous confidence in the methods that have brought unprecedented benefits in the past. We must improve the mechanisms for the settlement of trade disputes to take economic quarrels out of the political arena and base resolution of conflicts on criteria we all respect.

We must complete unfinished business—trade in agriculture, which has resisted liberalization in the postwar years, and agreed rules on safeguards in the event of injury that provide for transparency and equity.

And we must look forward to the emerging challenges of the 1980's, such as trade in high technology products and processes—processes, then, to devise rules will ensure we do not impede the growth potential of the technological revolution.

Finally, let us remember that just as progress is impossible without peace, economic growth is a crucial pillar of peace, beckoning with brighter horizons all who dream of a better life.

To deter aggression the United States must and will remain militarily strong. When I met with His Holiness Pope John Paul II, I gave him the pledge of the American people to do everything possible for peace and arms reduction. For the sake of the children of the world, we're working to reduce the number and destructive potential of nuclear weapons. We're working to end the deadlock between Israel and her Arab neighbors, and we're working, as you are, to preserve the peace in this hemisphere.

When Pope John Paul visited here in 1980, he said to young Brazilians, "Only love can build." Well, from the moment we arrived in this land of spectacular beauty and unbounded energy, we have been touched by the special warmth of the Brazilian people.

We've come to know the heart of Brazil. We will say goodby knowing her heart is strong, her heart is true, her heart is good. Brazil will build. You will grow. And by your side will be the United States—your partner in the New World, a partner for progress, a partner for peace. *Estamos com o Brasil e não mudamos.*

Thank you very much.

Note: The President spoke at 4:20 p.m. in the auditorium of the Palacio dos Bandeirantes. Prior to his remarks, he met with Governor Jose Maria Marin of São Paulo.

Following his remarks, the President attended a reception for the businessmen and then left São Paulo for the return trip to Brasília. He remained overnight at the Palacio da Alvorada. On the following morning, he left Brasília and traveled to Bogotá, Colombia.

Remarks to the People of Costa Rica
December 3, 1982

I'm happy to accept President Monge's invitation to see Costa Rica. I know your country has long been a model for peace, democracy, and economic progress in the Western Hemisphere.

Last month, President Monge spoke at the Conference of Free Elections in Washington about democracy. He made all of us who are committed to freedom very proud. "Democracy," he said, "has no universal formulas, like those of totalitarian philosophies. Its strength is that it allows free

people to find their own solutions. As free people, we are not compelled to accept the one candidate offered to us by a small group claiming exclusive knowledge of the destiny of an entire nation. We, the voters—free citizens—make this decision."

Today the countries of Central America face enormous challenges: economic recession, social injustice, and the cynical efforts of outside powers to impose nondemocratic systems of government on them. But I'm confident we have the will and the ability to overcome these challenges.

The most promising formula for peace and security for the nations of Central America was proposed at the meeting of democratic nations in San José in early October. It offers terms for a peace that can be verified without fear of violation. It stresses the importance to peace of democratic institutions. I'm convinced, as I believe most of you are, that democracies find it easier to live in peace with each other.

In facing the economic challenges, the countries of this hemisphere have begun a cooperative effort to address the pressing needs of the Caribbean Basin. Part of the United States contribution to this effort—$350 million in emergency economic assistance—is already in place. I'm asking the Congress to give priority consideration to the other main features of our program—open access to our markets for the products of the Caribbean and Central America, and incentives for American investment in the region.

I believe we all have a crucial stake in this venture. Democracy, and even our independence as free nations, are vulnerable to economic recession. By cooperating together, we can offer real hope for sustained growth to our peoples.

I have met with President Monge twice. From these meetings I know we share the conviction that it's through freedom and democracy that economic progress and social justice have their best chance to work. I look forward to visiting San José and to having the opportunity for further discussions with your President.

Note: The President's remarks were taped on November 22 at the White House for later broadcast on Costa Rican television.

Statement on Departure From Brazil
December 3, 1982

I leave Brazil impressed and reinvigorated. I have felt the warmth and energy of the Brazilian people and their dedication to peace and freedom.

My meetings with President Figueiredo and his ministers were successful in spirit and substance. We conducted serious discussions about the international systems of trade and finance and the difficulties both our countries face in this period of slow economic growth around the world. We discussed the importance of trade and free markets to bring lasting growth. For my part, I've gained a deeper understanding of Brazil's perspectives.

President Figueiredo and I resolved to find mutually acceptable solutions to those areas where we have differences, and to remain open to possibilities for new cooperation, especially in the areas of scientific and military industry. I leave confident that Brazil, like the United States, has the skill and determination to work its way up to renewed growth and prosperity. When I arrived here I reminded President Figueiredo of the old saying, "Nothing stops Brazil," and now I know it's true.

We considered the threats to peace in the hemisphere and in the world, the dangers of a nuclear arms race, the crisis in the Middle East, and prospects in southern Africa. I confirmed our intention to maintain a strong defense as the best assurance of peace for us and our friends.

I made clear to President Figueiredo our desire to continue close consultations with him. Of course, there are issues on which we have differences. But our mutual inter-

est in cooperation is infinitely stronger. I hope that my visit has helped—in the same way that President Figueiredo's visit did—to improve an already warm relationship.

On behalf of our entire delegation, I want to thank you and all the Brazilian people for the wonderful hospitality you showed us.

Since I hope this meeting will not be our last, let us not say *adeus,* but *ate logo.* We go with the spirit of your friendship tucked close to our hearts.

Statement on the United States Unemployment Rate
December 3, 1982

The unemployment reported by the Labor Department today represents a continuing tragedy. This news makes it more important than ever that we press forward in our efforts to create a solid, sustained recovery.

We have already laid a foundation for that recovery, and we have seen many signs of progress: Inflation is down, interest rates are down, and the leading economic indicators have been up for 6 of the past 7 months. Unfortunately, unemployment has traditionally been one of the last indicators to fall, but as the recovery comes on stream, we can expect to make progress on that front, too.

In the meantime, it is imperative that the Congress and the executive branch work closely and constructively together to hold down spending and encourage greater economic growth. I am encouraged by the progress this week on my transportation initiative, and I am hopeful that we will see similar progress in the next several days on our bill creating enterprise zones.

Toast at a Luncheon Hosted by Colombian President Belisario Betancur Cuartas in Bogotá
December 3, 1982

Reverend clergy, President Betancur, I'm happy to be in Santa Fe de Bogotá, the Athens of America. I appreciate this opportunity to reaffirm the close and longstanding ties between our peoples.

Since 1824, when a United States Representative, Richard Anderson, became the first foreign diplomat to be formally accredited here after independence, my country has followed with admiration the development of your constitutional tradition.

I thought I was having a translation here. I guess—well.

Colombia's great independence leader, General Francisco de Paula Santander, is celebrated today not so much for being the great warrior he was, but as the "Man of Laws." He declared, "If the sword gave us independence, the law will give us liberty." Well, you, Mr. President, are a man of law and liberty.

Your first statement as President-elect of your country carried on the profound tradition of law and liberty in Colombia. "I aspire," you said, "to a happy and open democracy in which citizens who wish to be representatives must win that right in a frank contest with the broad participation of the new generations, a contest in which merit, quality of service, and proven honesty will be the best attributes for receiving popular support."

I was waiting to be interpreted, but I understand I'm not to wait.

Well, we all know that the democratic path is never easy. But it's a path toward which the peoples of this hemisphere are increasingly turning. Democracies are

better able to reconcile their internal differences without violence. They're also neighbors in whom we can have confidence.

Mr. President, as I said in my very encouraging visit to Brazil, I did not come to visit with any preconceived plan that we wish to impose. I came here to listen and to learn, to ask how we could be of greater help in promoting peace and progress in the Americas. It has long been my dream that the more than 600 million people of the Americas could represent an enormous force for good in the world. Just think how much we could achieve if there were accord between us.

In that spirit, Mr. President, let me say how much I appreciate your frankness here today. I know you were speaking from the heart. And I can assure you that we were listening closely.

One of the great traditions of democratic nations, as you know so well, is that leaders can speak candidly to one another and accept the other's thoughts in the constructive spirit in which they're offered. You have spoken frankly. Now let me do the same.

Ours is a region in which powerful bonds unite countries and people. It is also a region in which primarily, perhaps because we expect so much from each other, powerful misunderstandings can arise. When people—above all, these people who exercise responsibility and must make decisions—do not know each other, the potential for misunderstanding is particularly great. That's why I'm here, coming as a friend and neighbor, asking what are our problems and differences and how can they be overcome.

Our neighbors in Central America are in turmoil. They are threatened by a devastating economic crisis and by local insurgencies supported by outside countries which do not wish to see the republics of America succeed. The question, Mr. President, is how can we help. I look forward to hearing your views this afternoon.

But don't we already have a good beginning in the conclusions democratic states of the region reached in San José on last October 4th? They called for all the states of Central America, on a basis of reciprocity and verification to renounce the importation of heavy offensive weapons that could be used to attack a neighbor; to cause the withdrawal of all—and I repeat, all—foreign military advisers; to end support for terrorists and subversion against neighbors to begin internal reconciliation, enabling dissidents to participate again in public life within established institutions; to create democratic institutions and hold open, public elections to decide who should exercise power. Of these, the last is the most significant, for we all know that democracies are far less likely than other regimes to abuse their own people and to make war on their neighbors.

What can we do to overcome the economic crisis in the Caribbean region? Well, Mr. President, our nations are partners in the Caribbean Basin Initiative, a bold attempt to address the underlying economic and social needs of our neighbors. It made a great impression in the United States when your country announced that it would join with Canada, Mexico, Venezuela, and the United States in this enterprise. It reassured us to see Colombia, long a pillar of the Andean community, extend its hand to Central America and the Caribbean. Through hard work, sound financial management, and a commitment to an open and competitive economy, Colombia is an example for others.

The United States has already increased its assistance to the Caribbean area, bringing it to nearly a billion dollars a year. But we must provide these small and promising countries an opportunity to earn their own way. That is the purpose of the one-way, free-trade proposal that I have made. This proposal is now under active consideration by our Congress, and I hope for early action.

In cooperating to help others, we should be careful not to neglect cooperation to benefit our own societies. Could we not do more to mobilize resources and encourage efforts by public-private institutions, universities, institutes, voluntary agencies, and businesses to increase their cooperation for development? Many scientific, educational, and other institutions in the United States and in Colombia have had close working relationships in the past. We must strength-

en and renew such ties and promote new links to accelerate the pace and quality of research and development on the most pressing problems in this hemisphere.

The recession that we suffer from is global. It affects the advanced countries. Millions are out of work in my country—even greater numbers in Europe. But it's true that the recession has affected the developing countries most of all—not so much Colombia, which is fortunate to continue to grow, but your neighbors.

None of us can find our way back to prosperity without self-discipline at home. The example of Colombia shows how prosperity can be achieved by domestic savings and investment. But prosperity will escape us if we permit those great engines of growth, world trade and world finance, to be impaired. And here again, Mr. President, we must act to make sure that the International Monetary Fund has the funds necessary to finance needed stabilization programs. And early agreement must and, I am confident, will be reached on substantially expanded quotas.

The United States has also proposed that special arrangements to borrow be made to enable the Fund to be sure to fulfill its mission. The individual countries that can do so should provide bridging financing to countries needing time to work out effective stabilization programs. And private lenders must not withhold new funds from countries that do so, for lenders and borrowers each have a great stake in each other's success.

For the longer term, we must proceed with the replenishment of the Inter-American Development Bank. We believe that an agreement is reachable on a replenishment that will permit continued high growth in the bank's activities.

Equally important is to prevent an upsurge in protectionism in all our countries. We can only do this, Mr. President, if we all do it together. That was the meaning of the GATT meeting in Geneva.

With unemployment in all our countries, the temptation is to use restrictions or export incentives to protect jobs. Well, experience shows that way is self-defeating and will lead only to less trade and less jobs. I am pledged to do all in my power to prevent arbitrary restrictions of trade.

Colombia has long been a powerful supporter of the inter-American system. With few exceptions, the system has kept the peace. As new nations of the Caribbean join the system and as other American countries like Colombia grow in economic weight and worldwide influence, our institutions will be infused with new life.

Our own relations with each other reflect the maturity of our partnership. We do not agree on every issue, not even on the remedies of some of the problems we share. But we've established a dialog based on mutual respect, our shared religious heritage, and our common legacy.

In the trade field we have vastly expanded to our mutual benefit the goods and services we exchange. Earlier, you had a trade surplus. Now, with the price of coffee low, we do. We both have legislation governing trade that we each are bound to respect. Within that framework, though, there is much we can do to assure mutual accommodation without imposing protectionist devices. I will work with you to find those opportunities.

Our cooperation in the area of narcotics control certainly reflects the same spirit. We recognize that the use and production of illegal drugs is a threat to the social fabric of both countries. I am determined to control and reduce drug consumption in my country. Progress that either of us make will assist the other.

Colombia and the United States worked together to establish the fundamental principles of this hemisphere. I am here today to further the spirit of cooperation begun by President Roosevelt in 1934, and continued by President Kennedy in 1961. I come convinced that our cooperation for freedom and development is more vital than ever to progress and security in the hemisphere.

President Betancur, you and I know what can be accomplished with the will to keep going until the job is done. We both come from working families, poorer than most in material things, but rich in spirit and optimism. Those values taught us when we were young—God, family, and hard work—and this did well by us as individuals. And they will do well by our two countries.

It is my deep conviction that the tide of history is with the Americas—and especially with countries such as ours, who believe in the dignity of man and the freedom of the individual.

President Betancur, I propose a toast to you and to the people of Colombia: May the values that bind us, the friendships and dreams we share, be preserved by us, the people of the New World, as an eternal, sacred trust.

Note: President Reagan spoke at 3:29 p.m. in response to a toast proposed by President Betancur. The luncheon was held at the Casa de Narino following a meeting of the two Presidents.

Earlier in the day, President Reagan was accorded a welcoming ceremony at El Dorado Airport in Bogotá. He then went to Bolívar Plaza in the city to participate in a wreath-laying ceremony at the statue of Simón Bolívar.

Following the luncheon, the two Presidents met together with their delegations at the Casa de Narino. President Reagan then left for a departure ceremony at El Dorado Airport and the trip to San José, Costa Rica.

Exchange With Reporters in San José, Costa Rica, Following a Meeting With President Alvaro Alfredo Magaña Borjo of El Salvador

December 3, 1982

Q. Mr. President, how did the meeting go?

The President. Which one?

Q. This one.

The President. Oh, just fine.

Q. Did you discuss aid coming up in—the renewal of aid in January?

The President. Yes, and we discussed the whole situation—general discussion.

Q. Do you think the human rights situation is good enough in El Salvador to qualify them for aid?

The President. I think that they are trying very hard and making great progress against great odds.

Q. Does that mean you will certify them for aid in January?

The President. That's—on the basis of everything that we know now, yes, of course.

Q. Time to go to bed.

Q. Aren't you tired?

The President. You never see me get tired.

Note: The exchange began at 8:20 p.m. in the Hotel Cariari as President Reagan was escorting President Magaña from their meeting at the hotel.

Earlier in the evening, President Reagan was accorded a welcoming ceremony at Juan Santamaria Airport, where he was met by President Luis Alberto Monge Alvarez of Costa Rica.

Following the meeting with President Magaña, the President remained overnight at the Hotel Cariari.

Joint Communique Following Discussions With President Alvaro Alfredo Magaña Borjo of El Salvador in San José, Costa Rica

December 3, 1982

On December 3, 1982 in the City of San José, Costa Rica, the Presidents of El Salvador, Dr. Alvaro Magaña, and of the United States of America, Mr. Ronald Reagan, met and had a cordial exchange of views about subjects of mutual interest.

President Reagan praised the bravery of the Salvadoran people and their belief in

democratic ideals as manifested in the recent elections and in the Salvadoran decision to hold Presidential elections no later than March, 1984. He expressed appreciation for efforts of the Salvadoran Government to reduce the number of deaths caused by violence, despite the opposition of anti-democratic forces. He also indicated his satisfaction with the continuation of the land reform program.

The Salvadoran leader pointed out the desire of his government for peaceful development and full observance of human rights. He noted the creation of the Commission on Human Rights and the formation of a Peace Commission charged with proposing a practical plan for the participation of all citizens and political movements in the democratic process.

President Magaña suggested that as important as the efforts that each country makes internally to correct its structural economic problems is an international economic situation which encourages full development of that country's human and natural resources. In this regard, he praised the U.S. Caribbean Basin Initiative and expressed the hope that the trade and investment provisions would be approved quickly by the U.S. Congress.

President Reagan referred to the interest of the American people and government in cooperating with the Salvadoran Government in its internal efforts. He stressed his concern about the prosecution of those implicated in the murder of American citizens in El Salvador and asked for unstinting efforts to prosecute those responsible for the deaths of the American Churchwomen and the AFL–CIO consultants and the disappearance of other American citizens.

Both leaders also examined the situation in Central America and expressed concern for the increase of tensions in the area. They rejected the use of force in the resolution of bilateral conflicts, interference in the internal affairs of other countries and the violent imposition of alien ideologies and systems rejected by democratic societies. President Magaña emphasized the need for all countries to respect the principle of self-determination as exercised by the Salvadoran people in the elections of March 28. He noted that this principle is fundamental to the peaceful coexistence of peoples. Both leaders reaffirmed their commitment to the principles of the Final Act of the October 4 San José conference of democratic nations—principles which, in their opinion, represent the best hope for peace in Central America.

The two leaders agreed to maintain direct contact in order to further high levels of bilateral cooperation.

Given in San José, Costa Rica, December 3, 1982.

Remarks to the People of Honduras
December 4, 1982

President Suazo has been gracious in inviting me to visit your country, and I'm anxiously looking forward to it. Early this summer, we were honored to have your President visit Washington, and I'm happy to have this early opportunity to continue our talks.

He told me then of the pride of the Honduran people in their democratic achievement, of their desire for peace with their neighbors, and of the measures you are taking to revive your economy. These are all goals we share with you. Both of our countries are concerned by the economic problems and the threat to peace the countries in Central America face.

Honduras has been a leader in Central America. You've put forward concrete proposals for a comprehensive peace throughout your region. Your transition to democracy answered those who argue that freedom is a luxury that struggling countries cannot afford. And you've proved that a freely elected government has the will and determination to take the actions needed to put your economy on a sound course.

The Honduran people have won the admiration of my fellow countrymen, and the peace proposals your President presented to the Organization of American States last March are ones which we in the United States support fully. They were incorporated in the Final Act of the eight democratic countries that met in San José in October. They are reasonable and attainable for all parties, and I hope they will lead to peace in Central America.

Honduras has also played a prominent role in the Central American Democratic Community, which is dedicated to freedom, economic development, and the security of each nation against aggression in any form by one neighbor against another. These are goals which can be achieved, and it is with this hope that I will come to Honduras to meet with President Suazo.

We have common aspirations and values. I'm sure we will be able to strengthen the cooperation between our two nations and our people. I will bring with me the best wishes and friendship of the American people.

Thank you.

Note: The President's remarks were taped on November 22 at the White House for later broadcast on Honduran television.

Radio Address to the Nation on the Caribbean Basin Initiative
December 4, 1982

I'm speaking to you today from San José, Costa Rica. Later this evening, I'll return to Washington, having visited with six neighboring heads of state. Our delegation has seen firsthand the vitality and potential of our New World neighbors. We've also heard and discussed their needs and aspirations and how they affect our own vital national interests.

United States interests require that we support our fellow Americans with a hemispheric policy which preserves and promotes democratic institutions, advances and encourages free market economies, and provides the security essential for these systems to develop and flourish. In our discussions during these last 4 days, I pledged our continued commitment to work as friends and neighbors with the other nations of this Western Hemisphere. We'll stand firmly with them to achieve the promise of economic progress and political stability that is the legacy of peace in the Americas.

Through cooperation, together we can protect ourselves from counterfeit revolutionaries who seek to destroy growth and impose totalitarianism on people who love freedom. Let us remember something very important: If our neighbors, particularly our nearest neighbors in the Caribbean Basin, are in trouble, their troubles inevitably become ours, unless we work together to solve them.

Right now their difficulties are not entirely of their own making. World prices for their traditional products—sugar, bananas, bauxite, and coffee—have been declining sharply for several years. At the same time, the prices for their essential imports, particularly petroleum, have remained high. This worldwide recession, the longest and most severe in postwar history, has hit their economies with all the fury of the tropical storms they're exposed to each year.

We cannot afford to ignore these difficulties. Our ties with the countries of the Caribbean Basin are very close. One-half of our trade passes through this area. Prolonged social and economic disruption would cause an exodus of desperate people seeking refuge where so many others have already found it—in the United States. The interests of Caribbean Basin countries are our interests; their security is our security.

The difficulties in the Caribbean Basin may seem overwhelming, but just as tropical storms give way to sunshine and calmer seas, economic despair will give way to optimism if people have the prospect to build a better life in freedom. Our support for

democratic institutions is already helping. U.S. assistance to help these countries defend themselves from outside-supported subversion is likewise showing signs of progress. Our Caribbean Basin Initiative, designed to provide economic opportunity by stimulating investment and trade, offers the hope of economic progress, which anchors democracy and freedom.

In September the United States Congress approved funds for emergency balance-of-payments assistance as the first step in this initiative. I also attach great importance to the 1983 fiscal year package of foreign assistance. But our goal is not a temporary boost from foreign aid. Our goal is to help our neighbors strengthen democratic institutions and free economies that stand on their own. We need long-term incentives to expand production and create new jobs. The trade and investment portions of our Caribbean Basin Initiative legislation are designed to accomplish this.

I've proposed that we offer our neighbors the opportunity to trade with us freely by eliminating trade barriers for most products for 12 years, and by providing tax incentives for U.S. investment in their economies. With our markets beckoning, the inducement to expand existing enterprises and invest in new ventures will increase. This will create growth and jobs, both for Caribbean countries and for the United States.

Trade is the path to new progress for everyone. All developing countries, including ours, succeeded by expanded free enterprise at home and by increasing their trade with other countries. By helping them, we help ourselves. As their economies grow, we'll have new markets for our exports. The faster their standards of living rise, the more jobs will be created in the United States.

The impact on our own domestic industries of more goods coming from the Caribbean will be minimal, since the quantity of imports from these small countries will not be great. Moreover, our industries and our jobs will have safeguards to protect them from disruption.

Since taking office, I've held numerous discussions with Caribbean Basin leaders. They have assured me that their Caribbean Basin Initiative will provide more fuel for their private economies to be engines for lasting growth. They, too, have faith that private enterprise can flourish with the magic of the marketplace.

This initiative, I'm pleased to say, is only part of a wider undertaking in the Caribbean Basin. Canada, Colombia, Mexico, and Venezuela have joined us with impressive initiatives of their own. I'm asking the Congress only that we in the United States do our part by doing what we can do best—create economic opportunity.

The leaders of the Congress have promised to give the Caribbean Basin Initiative urgent consideration during the current session. The initiative has already received substantial bipartisan support. I urge all Members of the Congress to look carefully at the benefits which the Caribbean Basin Initiative will bring to our neighbors, and to us. Final passage this year is top priority.

I'll be leaving tonight to return to Washington. I can't close without saying how impressed I've been with the leaders I've met here in the nations of South and Central America and the people. I believe we've created bonds which will serve to bring the nations and peoples of the Americas into a closer accord. These two great continents joined by the countries of Central America can be the hope of the world.

Until next week, thanks for listening, and God bless you.

Note: The President spoke at 11:06 a.m. from the Casa Presidencial in San José, Costa Rica.

Remarks at the Signing of the United States-Costa Rica Extradition Treaty in San José

December 4, 1982

I don't know how long he's going to talk.[1] I, of course, could not understand without interpretation, but I was informed that he was expressing the Communist viewpoint. And I think, again, a tribute to democracy—he was allowed to do so here in this democracy. We wouldn't be allowed to do so in a Communist country. [*Applause*] Thank you. Thank you very much.

I hope he'll forgive me, but a refugee from the Soviet Union told me of a story that was widespread among the people of Moscow. And what they told each other in a line of humor was that if an opposition party should be allowed in the Soviet Union, they would still be a one-party country, because everyone would join the opposition. [*Laughter*]

But, Mr. President, and you ladies and gentlemen, I thank you for your gracious welcome. From the schoolchildren who greeted me at the airport last night to you distinguished leaders gathered in this beautiful hall, the people of Costa Rica have extended to our party open-hearted and generous hospitality. I know you're world-famous for this, but I feel so very much at home here. I hope that ours is a special bond.

I'm especially grateful for the opportunity to renew the personal dialog with President Monge, a distinguished statesman committed to the democratic ideals I share. Americans and Costa Ricans—we are all of the New World. Our people live the peaceful revolution of democracy, secure under the rule of law and prospering through economic freedom. But there are outsiders who would exploit our rich, new world by undermining the democratic systems that make us free.

We of this hemisphere must stand together so that we can continue to improve the quality of life for our people. We must be strong enough, our people prosperous enough, and our democracy stable enough to remain independent, at peace, and free.

Now, there are many who speak of democracy and pluralism and of their respect for the rule of law. But as a Costa Rican President of the last century, José Joaquin Rodriquez, said, "I am not impressed by hearing proclamations of great principles. What I admire is the men who know how to put them into practice." Well, Costa Rica is a proud example of a free people practicing the principles of democracy. And you have done so in good times and in bad, when it was easier and when it required great courage.

Your commitment to freedom was evident last February when, as every 4 years, you elected a new government. In October, you led the region's democracies toward recognition of principles for a lasting, humane peace in Central America. And just last month, President Monge spoke eloquently in Washington about democracy and of the commitment of all democratic nations of the region to an Elections Institute, an advisory body to assist other countries in developing the practice of democracy and which will be a specialized branch of the Inter-American Institute of Human Rights in San José.

Costa Rica's foundation of democracy and law, as President Monge said in Washington, is your guarantee of peace. He put it this way: "Violence, war, and guerrillas lose their support when the people enjoy free elections and when their vote is respected." James Fenimore Cooper, an American writer of our frontier, said much the same when he suggested that "the man who can right himself by a vote will seldom resort to a musket."

President Monge and I have met three

[1] *Following the signing of the treaty, President Monge spoke, and President Reagan was to respond. Before the President could begin, however, the leader of the Peoples Revolutionary Movement, a member of the Legislative Assembly, interrupted the proceedings by reading from a letter he had written.*

times this year, and I've learned from him and from the record of this country the depth of Costa Rica's dedication to the founding principles of Western civilization. And I've learned of the significant progress toward democracy elsewhere in Central America.

Today, Central America faces renewed challenges to its self-determination as agents of unrest seek to impose new forms of the imperialism and tyranny that we threw off so many years ago. These counterfeit revolutions also threaten the prosperity that is the legacy of peace in this beautiful land. The future challenges our imagination, but the roots of law and democracy and our inter-American system provide the answers we seek.

In your efforts to bring new opportunity, stability, and peace to the region, the Costa Rican people can be very sure you will have the steadfast support of the people of the United States.

The only real route to peace, to lasting peace, is the well-chartered course of Costa Rica—commitment to democracy, rejection of extremism and the force of arms, and respect for human rights and the rule of law. It also includes reliance on international law such as the Rio Treaty, essential to your national defense and fundamental to our common security. Our new bilateral extradition treaty, President Monge, is indicative of our joint commitment to the rule of law.

What we strive for is a hemisphere where the future is determined not by bullets but by ballots, a hemisphere of countries at peace with themselves and one another and at peace with the world. The peace we've known has been a precious asset for the Americas. Instead of allocating a great share of their resources on military spending, the developing countries of this hemisphere have invested in the future. And this has been no accident. From the Pan American Union to the Treaty of Rio de Janeiro and the Organization of American States, this hemisphere has been in the forefront of multilateral, international cooperation. No other region of the world can match our record.

These are not mere words. We have, and will continue to practice, what we proclaim. The United States will continue to support the new democratic institutions in Honduras and the developing democratic processes of El Salvador. Any nation destabilizing its neighbors by protecting guerrillas and exporting violence should forfeit close and fruitful relations with the people of the United States of America and with any people who truly love peace and freedom.

The meeting of democratic nations here in San José on October 4th showed us anew the way toward peace and stability. We applaud the Costa Rican Government for that initiative and for its continued leadership in this regional democratic effort. We join you willingly. Democratic states have a unique role in the moral history of the world, because our governments are accountable to the governed and are less likely to abuse their own citizens or to attack their neighbors.

The principles of the San José Final Act provide a reciprocal, just, and verifiable basis for peace. I call on all states in this region to join in this process of genuine, peaceful reconciliation. In that same spirit, we must also work together to solve the serious economic problems jeopardizing social and political progress.

Central America recorded impressive economic growth in the 1960's and during much of the seventies. This was particularly true in Costa Rica, where hard work and neighborly cooperation in the Central America Common Market paid major dividends. Now those gains are threatened by worldwide recessions, threatened here in Costa Rica and, indeed, throughout the hemisphere.

In order to overcome the recession, we must lay the foundations in each of our national economies for noninflationary, sustained growth. To do this we will need the kind of commitment and determination Costa Rica is showing. Self-discipline is necessary, too. So, too, is mutual accommodation. Borrowers must move to restrict their deficits, but it's just as important that lenders not withhold new funds from countries which adopt effective stabilization plans. Lenders and borrowers must remember that each has an enormous stake in the other's success.

Similarly the integrity of the world trading system must be preserved, so it can serve once again as the great engine of growth. Closed markets must be carefully opened. Open markets must be shielded from protectionism. Our challenge is to make our trading and financial relationships remain a source of prosperity and strength; not become a source of discord and disagreement.

The debt problems facing many nations today are imposing, and we must act together to ensure that we have the tools to deal with them. The resources of the International Monetary Fund are one of the most important of these tools. To assure the adequacy of the IMF resources, the United States has proposed that in addition to an increase in the IMF quotas, there should also be a special borrowing arrangement to meet the demands that may be placed on the IMF where countries need assistance as they seek IMF funding. Those able to do so must act to provide bridging funds.

With regard to the Caribbean area, the United States Congress already has approved the first stage of our strengthened commitment to economic recovery: a supplement to our vigorous economic assistance effort in the Caribbean Basin, bringing to nearly $1 billion the total aid for fiscal year 1982. Our request to the Congress for future aid to the region will also reflect this new, high priority. But the other elements of the program are even more crucial. Investment incentives and duty-free access for most of your products will encourage increased production and stimulate more jobs.

This Caribbean Initiative is not a charity program. We will grow and prosper together to the direct benefit of the workers and enterprises in both of our countries. As I speak here, our Congress has reconvened in Washington, and the trade and investment portions of the Initiative are high on their agenda. From the heart of Costa Rica's remarkable democracy, I appeal directly to the legislative leaders of my country to act quickly and responsibly on this most important legislation. Together, we can attack the social and economic injustices which lead to dissatisfaction and support for radical solutions. And, just as Colombia has already joined the original Nassau four, I call on other developed countries—all of them—to contribute to our efforts.

Earlier this year in Washington, there was an exhibit of pre-Columbian art from Costa Rica. The title of the show was, "Between Continents—Between Seas." Well, this was fitting. But Costa Rica and Central America as a whole are now caught between something else—a struggle of ideas between the violence of false revolutionaries and the reaction of false conservatives. You will always be between continents and seas. But to live peacefully and democratically will require the continued courage and commitment of all the Americas.

I am confident that, together, we will achieve in practice the goals that we have together proclaimed: a Central America where not just some but all countries are democracies, where institutions are based on free and regular elections in an atmosphere of political reconciliation within each state; a Central America returned to the path of substantial economic and social development; a Central America at peace with itself and the world; a halt to foreign support for terrorist and subversive elements working toward the violent overthrow of other governments; an end to arms trafficking, the importation of heavy weapons, and the buildup of armaments and forces beyond that required for legitimate defense; and under fully verifiable and reciprocal conditions, the withdrawal of all—I repeat—all foreign military and security advisers and troops from Central America; in sum, a Central America that lives by the principle of nonintervention, where disputes are settled peacefully and where respect for human rights and the fundamental freedoms of speech, assembly, and religion are as alive and well as they are in the Republic of Costa Rica.

My government will give you and your neighbors the full support of the United States. Our commitment to the Rio Treaty and to the principle of collective security will remain a basic tenet of our policy. Together, we will work toward the economic growth and opportunity that can only be achieved by free men and women. We will promote the democracy that is the founda-

tion of our freedom and stand together to assure the security of our peoples, their governments, and our way of life.

In this way, the land between the continents and between the seas will achieve the vision of another President of Costa Rica. Juan Mora dreamed that this land be "content in peace . . . and its children cut one more ear of corn each day, and cry one tear less."

Thank you very much, and *Dios les bendiga y Dios bendiga a Costa Rica.* God bless you; God bless Costa Rica.

Note: The President spoke at 11:16 a.m. in the National Theater to members of the Legislative Assembly and their guests.

Earlier in the morning, President Reagan and President Luis Alberto Monge Alvarez met privately at the Casa Presidencial. They then met together with their delegations.

Toasts of President Reagan and Costa Rican President Luis Alberto Monge Alvarez at a Luncheon Honoring President Reagan in San José

December 4, 1982

President Monge. In his few hours among us, President Reagan and his illustrious committee will have had the opportunity to prove the sentiments and affection of the people of Costa Rica towards the people of the United States of America and towards himself as a representative.

To the President of the Costa Ricans, it is enough to bring us here close to the heart of his people to find a road of loving communication open to the people of the United States of America and with the citizens they chose to represent them by free vote to guide their destinies. And for President Reagan, it has been enough to be faithful to the sentiments of love of liberty that characterizes his people, to the profound democratic vocation of the Costa Rican people.

In the first 7 months of my mandate, this is the third time that we meet and reaffirm the ample areas of agreement in the fulfillment of our duties towards our respective peoples. Costa Rica has been a firm democratic ally of the United States of America, in Central America, and in the Caribbean. Other support it received in the past damaged its image. The permanent position of Costa Rica in favor of democracy and against all despotism of any ideological side gives an extraordinary moral force to this small country without an army. We believe we deserve more, and more permanent support on behalf of the American democracy.

True, the relationship with our country has been respectful without the incidents and accidents that have been registered in other sister nations. This historically explains that in the collective Costa Rican conscience, the anti-American trauma will not develop. But judging by the official visit of the President of the United States of America to Costa Rica, we feel that the significance of this alliance was not founded on misjustice.

In reality we can only recall three official visits by Presidents of the United States in the 161 independent years of the life of Costa Rica: President Hoover, during the second administration of President Cleto Gonzales Viquez from 1928 to 1932; President Kennedy in 1963, during the administration of President Francisco Orlich; and now you, President Reagan, who does me the honor of this visit at the beginning of my administration, now that we confront threats to liberty and peace in Central America and the Caribbean area.

I would like to believe that with your administration, President Reagan, the moral force represented by Costa Rica has begun to be justly appreciated despite its small size, poverty, and lack of an army in this struggle of people for peace and liberty. I would like to believe that you understand

the urgency of adequate cooperation to overcome the crisis and to defeat poverty.

President Reagan, you are among friends willing to cooperate in every action in favor of liberty, justice, and peace.

Thank you very much.

President Reagan. Mr. President, first on behalf of those who are with me today from our country, let me thank you and the people of Costa Rica for your hospitality.

Last month in Washington President Monge warned against the arrogance of any leader who believes that his own political formulation is perfect. And as our fellow citizens often let us know, none of us is perfect. But the basic value of the democratic societies that we represent are far more perfect than those of any other form of government. Our dedication to freedom, our respect for human rights, our adherence to the rule of law are far superior to the totalitarian rule that others would impose in the name of the false revolutions. Theirs are hollow promises and empty rhetoric.

We celebrate today our commitment to freedom and to peaceful political reconciliation. I particularly want to reaffirm to all of you the pledge that my administration has made to the economic well-being and security of the peoples of Central America and the Caribbean. We know that political principles and collective security are not served by unstable economies.

Our Caribbean Basin Initiative offers a realistic foundation on which to build increased trade between our countries—trade that will benefit all our citizens. This evening I'm returning to Washington, where I will continue to press for quick congressional action on the important trade and investment provisions of the initiative.

In that spirit of mutual commitment, may we rise now in a toast to President Monge, to Costa Rica, and to liberty.

Note: President Monge spoke at 12:37 p.m. at the Casa Presidencial. He spoke in Spanish, and his remarks were translated by an interpreter.

Following the luncheon, the two Presidents participated in a departure ceremony at Juan Santamaria Airport, and President Reagan traveled to San Pedro Sula, Honduras.

Remarks Following a Meeting With President Roberto Suazo Córdova of Honduras in San Pedro Sula

December 4, 1982

President Suazo and I have just completed a very useful exchange of ideas on the full range of bilateral issues and regional problems that confront our two democracies. In this, our second meeting this year, we have continued the close consultation that we began in Washington last July. This has given our dialog continuity and enabled us to analyze these problems in greater detail.

I have expressed my administration's support and my nation's admiration for President Suazo's efforts to ensure, for the Honduran people, the benefits of a democratic government elected on the principles of the rule of law. President Suazo has made it clear to me that there will be no retreat from that noble principle.

We are in agreement that we must work together to oppose those who seek to disrupt the promise of economic progress and political stability that is the legacy of peace in the Americas. My administration is convinced that through cooperation and solidarity, our governments can protect our democratic institutions and free-market economic systems from the counterfeit revolutionaries who seek to destroy growth and impose totalitarianism on free people.

We will cooperate in every way we can with Honduras and the other democratic governments of Central America to further our common objectives.

It's a pleasure to be here, and our only

regret is that it has to be such a very short visit. But, again, we're grateful to the President, the people of Honduras for giving us this opportunity to visit with them.

Note: The President spoke at 5:15 p.m. to reporters assembled in Hangar 3, near the headquarters building of an Air Force base where he and President Suazo and their delegations had met.

Earlier in the afternoon, President Reagan was accorded a welcoming ceremony at La Mesa International Airport.

As printed above, this item follows the transcript released by the Office of the Press Secretary.

Remarks in San Pedro Sula, Honduras, Following a Meeting With President José Efrain Rios Montt of Guatemala

December 4, 1982

Well, ladies and gentlemen, President Ríos Montt and I have just had a useful exchange of ideas on the problems of the region and on our bilateral relations.

Our conversation today has done much to improve the climate of relations between our two governments. I know that President Ríos Montt is a man of great personal integrity and commitment. His country is confronting a brutal challenge from guerrillas armed and supported by others outside Guatemala.

I have assured the President that the United States is committed to support his efforts to restore democracy and to address the root causes of this violent insurgency. I know he wants to improve the quality of life for all Guatemalans and to promote social justice. My administration will do all it can to support his progressive efforts.

We have heard a great presentation, and as I said on the first day of my visit far south of here in Brasilia, people from my country—government officials of my country in the past have come to South and Central America to various countries proposing plans and ideas of their own. I know they were sincere, and yet I think there was a certain insensitivity connected with what they were doing. I said from the first day and until this, our last stop on this visit, that we came here to ask, not tell. We have come here to find out and to learn what we can about the possible differences between us and the possible answers to those differences. And we know now a great deal more about the problems confronting Guatemala. And we're going home and do our best to see if we can't be helpful now in finding some answers to the problems.

And I will now turn the microphone over to President Ríos Montt.

Note: The President spoke at 6:05 p.m. to reporters assembled in Hangar 3, near the headquarters building of an Air Force base where he and President Ríos and their delegations had met.

Following his remarks, the President returned to La Mesa International Airport and departed Honduras for the return trip to Washington, D.C., where he arrived shortly before midnight.

Question-and-Answer Session With Reporters on the President's Trip to Latin America

December 4, 1982

Q. You've been partying all night—from one cabin to another.

The President. No, I just brought a birthday cake, and then I brought a farewell

cake for our military man who's leaving after 26 years, the man that handles all the baggage.

Q. You don't look tired.

Q. You don't look tired at all.

The President. You should've been used to that after the campaign. [*Laughter*] No, I'm not tired.

Q. Really enjoyed the trip?

The President. Yes, I think it was a real fruitful one.

Q. Do you think you accomplished anything?

The President. Yes. Yes, I do. I think we established very good relations there.

Q. Do you think that the six Presidents that you visited with got to know you a lot better at close distance, rather than long distance?

The President. Yes, even though I had met a couple of them before, when they had come up here. No, I think we really established some friendships—and mutual friendships. I feel very close to them, and I think they do to me.

Q. Do you think President Ríos Montt's announcement on the elections is enough to justify resumption of military aid——

The President. What?

Q. Is President Ríos Montt's announcement about—announcing the election laws in March of '83, setting in pattern the eventual election of a democratic government there. Is that enough to justify the resumption of military aid to Guatemala?

The President. Well, we've got a whole lot of material which he, very frankly, brought for us to study. I frankly think that they've been getting a bad deal. You know, he was elected President in 1974 and was never allowed to take office. So, when this particular coup came, the officers who conducted the coup came to him and put him into the office he'd been elected to.

But he is totally dedicated to democracy in Guatemala. And they have some very real problems that we, as I say, are going to—they brought and they made quite a presentation and brought a lot of information and material to us. And frankly I'm inclined to believe they've been getting a bum rap.

Q. Are you leaning toward resuming the aid——

The President. What?

Q. Are you leaning toward resuming the aid, based on what he told you in your talks?

The President. Well, this is going to depend, of course, on all this information that's been provided to us. But I would think so.

Q. Mr. President, do you think you sent a clear signal to Nicaragua, to the Sandinista government, by talking with all the Presidents around Nicaragua? And what would that signal be?

The President. Well, the main thing was that—we weren't particularly trying to aim a signal at them. We were trying to do what I said clear back in the campaign I wanted to do. And that is to get all these countries in the Americas, in this hemisphere, to recognize what a force for good in the world we could be if we did have an accord. And so, we will do more of this, and with others. We had to start someplace.

Q. Why did we fly around Nicaragua today, instead of just taking the shorter route over the country?

The President. Well, I don't know. I imagine, probably, because there was some concern about going into their airspace. I don't know; I haven't asked anyone. I looked at the map there in my own room. And it seemed to me that a fairly direct route did take us over water on the Pacific side, and then to turn in to land at Honduras. It didn't seem to me it was too much out of the way.

Q. Did you give Nofziger the go-ahead to start your reelection campaign?

The President. No. No; Lyn, I know, just felt that he would like to contact some of those who were involved the last time and just make sure that they were all still around.

Q. Are you unhappy about his comment about making it a Reagan-Bush campaign and not a Bush-Reagan campaign?

The President. Well, I think he could have—it turns out that he was talking. And it wasn't the best choice of words, because the truth of the matter is, he has assured me that he has complete faith in George

and everyone else with regard to loyalty to me. So, he didn't mean that in any way to be a charge of disloyalty.

Q. Do you think he got a little overanxious?

The President. What?

Q. Do you think he got a little overanxious to get you reelected?

The President. I'm right in the position I always was: No decision has been made. [*Laughter*]

Q. I don't believe that. [*Laughter*]

The President. What?

Q. I don't believe that.

The President. Honestly; it's true.

Q. Really?

The President. This would be too early to make a decision now.

Q. You seem to be leaning, though.

The President. What?

Q. Are you leaning toward running again even though you haven't made a decision?

The President. Well, as I've said, the people'll tell you whether you do that or not.

Q. Mr. President, what does Nancy tell you?

The President. What?

Q. What does Nancy tell you? We hear——

The President. Well.

Q. ——about all the time that——

The President. No, she's like me. She thinks that this isn't the time to make such a decision.

Q. But do you know it's 13 months till the Iowa caucus? [*Laughter*]

The President. Well.

Q. [*Inaudible*]

Q. You have to write a letter at some point saying you're a candidate.

Q. Mr. President, are you getting to like foreign travel a lot now? And might we see you taking some more foreign trips in the near future?

The President. What?

Q. I said, are you getting to like foreign travel a lot, now that you've taken this trip, plus the others you've taken? And might you take some others—[*inaudible*]?

The President. It isn't based on whether you like or not. I've had an awful lot of travel in my life, and I could be very happy just staying home.

Q. Are you going to win the MX vote in the House next week?

The President. I don't know. That's going to be a tough one.

Q. What do you——

The President. I hope so.

Q. What do you have in mind to line up support? What will you be doing next week?

The President. Well, wait till I get back there and size up the situation and——

Q. Will you be making a few phone calls? Bringing some people in maybe?

The President. It's possible. There, you got a Q-and-A session. [*Laughter*]

Reporters. Thank you very much.

Q. We could offer you a drink.

The President. Yes.

Q. A little champagne.

Q. If you like, sir, we can make room for you—to have his seat, if you like.

The President. No, no.

Q. I guess one more helicopter ride, right?

The President. Yes, from Andrews to the South Lawn.

Q. Did you have any favorite President of all those you met on this 5-day trip?

The President. Oh, I wouldn't answer that question. [*Laughter*]

Q. We want to fix this good—[*inaudible*].

The President. Well, I must say, I felt very good about all of them, and I thought that we established quite a relationship.

Q. How are you going to get your horse back?

Q. We thought we smelled an odor back there. [*Laughter*]

Q. Does he have to be in quarantine?

The President. I assume there's some rules about that, yeah.

Q. You're going to have so many horses, you're going to have to buy a new ranch. [*Laughter*]

The President. Well, this one is only on loan.

Q. On loan. Is he going to fly back or come back by train or——

The President. By train? [*Laughter*]

Q. South America?

The President. No, you'd be surprised how much of that kind of transportation there is now because of racing. They ship horses all around the world, from Europe

over and back over to Europe and from South America—the tracks down there, up here. So, I suppose it's just a case of finding out, you know, some time when there's a shipment going. It's a great horse. [*Laughter*]

Q. How about the Mexican horse? Are you able to ride him now, or is he still—[*inaudible*]?

The President. Oh, yes, that's the one I'm riding since Little Man left us.

Q. El Alamein.

The President. Yeah, he's a good ride. He really is.

Q. Now that he's broken in.

The President. Well, no, he was always all right when you were on him. He was most dangerous when he was on the ground. And I don't know whether that's a way they train them or something, so that, you know, they'll feel more macho when they get on or not. But, no, and even now, you know, I always feed him some carrots after a ride. And you have to be more careful with him than any other, or he'll eat you off to the elbow. [*Laughter*] Gets the carrot and starts on fingers.

Q. Well, you should have more carrot and less stick. [*Laughter*] [*Inaudible*]—foreign policy—[*inaudible*].

The President. More carrot and less what?

Q. Stick. [*Laughter*]

Q. More carrot and less stick.

Q. Has this trip changed your views any about Latin America and your policies? Do you see any perspectives differently after this trip?

The President. Well, I learned a lot, because that's what I went to do, is—I didn't go down there with any plan for the Americas or anything. I went down to find out from them and their views. And you'd be surprised, yes, because, you know, they're all individual countries. I think one of the greatest mistakes in the world that we've made has been in thinking, lumping—thinking "Latin America." You don't talk that way about Europe. You recognize the difference between various countries. And the same thing is true here.

So, I went down to say to them what my dream was about this accord and then say, "Now, how can *we* make it work?"

Q. Were they surprised at that attitude? Did they think that was a change in attitude?

The President. I think so. No one actually specifically said it, but I think they did.

Q. In Colombia, where things may have been a little shakier than other places, was there a surprised President there in that approach?

The President. I think we established a very close friendship there, in spite of the toast.

Q. You know, the protester sat and listened to the whole speech.

The President. The what?

Q. The protester today.

The President. Oh?

Q. It seems like a long day, but this morning, the protester, he was sitting through the whole speech.

The President. Oh, he did.

Q. He sat down and listened.

Q. I mean, he stayed in the—[*inaudible*]. And you know that when the guard sort of moved toward him, all the people waved him away.

The President. Well, it's——

Q. It was real evidence of democracy.

The President. Yeah, yeah.

Q. Mr. President, is your dream likely to take any more tangible form now that you've talked about it with these heads of state? Is there anything that you've got in mind about furthering that idea?

The President. Well, I think it's a thing that has to grow and develop through the Organization of American States, through getting more bilateral actions. I just—I think we've—it's been a very worthwhile trip.

Q. Mr. President, what sort of message were you trying to send to Nicaragua with the—particularly the latter part of your trip and they were the one Central American country you did not visit and you did not talk with leaders? Is there some message that you were trying to send to them with this trip?

The President. No, not really. No, this is—and, as you know, we've tried to communicate with Nicaragua, tried to convince them there could be another way to go.

Q. You know—just one last question—the New York Times said that you have heard

from the new Soviet President and he is interested in these, you know, working out something, negotiations on the things you proposed on the expanded hotline, et cetera. Is that true?

The President. Well, you know, the idea that has been kind of indicated is that we didn't have any communications. We've been in constant communication with the Soviet Union, and, yes, we haven't had time to deal with that. But I understand that his reply has come, expressing an interest in those things that——

Q. Then they are receptive then?

The President. Yeah.

Q. Thank you.

The President. And I know how you really want to be accurate. It was a bridged loan, not a "breached loan." [*Laughter*]

Note: The question-and-answer session was held on board Air Force One as the President was returning to Washington, D.C., from San Pedro Sula, Honduras.

Remarks at a White House Reception for Kennedy Center Honorees

December 5, 1982

Someone once said that an artist is a dreamer consenting to dream of the actual world. That description is particularly apt for the five artists that we honor tonight. George Abbott, Eugene Ormandy, Lillian Gish, Benny Goodman, and Gene Kelly are five American dreamers who have made their dreams come true for the rest of us. In the years they've devoted to their crafts and during their countless performances, they have lifted our lives from the commonplace to share the sublime.

George Abbott created or contributed to hit after spectacular hit through his acting, writing, producing, and directing. The Abbott touch made magic on the stages of America's theaters. We laughed with him during the "Pajama Game" and "A Funny Thing Happened on the Way to the Forum." We shed a sentimental tear during "A Tree Grows in Brooklyn" and soared with the music and dance in productions like "The Boys From Syracuse," "Pal Joey," and "Damn Yankees."

Mr. Abbott—I'm not sure enough yet about calling him George. I'm temporarily between engagements and—[*laughter*]. But he has surely earned his reputation as the Dean of Broadway Showmen.

America was lucky to lure another great talent, Eugene Ormandy, from Hungary. He was music director of the famous Philadelphia Orchestra for nearly half a century, conducting, programing, and exacting an unrivaled freshness and vitality from his talented musicians. But this great man, who we're so proud today to call American, began life far from Philadelphia.

He grew up as a child prodigy in Budapest. At 2, he could easily identify symphonies. Almost before he could stand, he was playing a specially made fiddle. And at 4, he loudly interrupted a violin recital to announce, "You played an F sharp instead of an F." [*Laughter*] At 5, he was admitted to the Royal Academy of Music as its youngest pupil.

He later said, "My lessons filled my days with work and with dreams. I had tasted the intoxicating wine of being a *wunderkind.* And my whole ambition was to be a *wundermann* as well." Well, tonight, Mr. Ormandy, your fellow Americans want you to know that in their eyes you've made it.

And Lillian Gish is a homegrown talent and beauty whose performances set a standard of enigmatic allure that has never been equaled.

As a child actress during her first performance, she burst from behind some scenery at the sound of a scripted explosion and ran screaming into the footlights. The audience loved her that night as they've continued to love her throughout her career. Such successes as "Birth of a Nation," "La Boheme," "The Scarlet

Letter," and many others led her to be known early in her career as the First Lady of the Silent Screen. She went on to other great accomplishments in the talkies and on the stage.

A normally caustic critic once wrote of the Gish girl that her smile "is a bit of trembling happiness. The tears of the Gish girl are the tears that Johann Strauss wrote in the Rosemary of his waltzes." Her smile is as enticing today, her talent as compelling as it was when she first sparkled on the silent silver screen.

And the talent of Benny Goodman is another example of the diversity that makes our people and our culture so rich. Benny Goodman, the son of an immigrant Chicago tailor, also took up his craft as a child. But he got his training in the local synagogue orchestra and at Hull House, the noted Chicago settlement house founded by Jane Addams.

He began playing on bandstands while still only a boy and became known in musical circles as "the kid in the short pants." By the time he was 20, he had made records, led a combo, and played with a well-known band. And 8 years later, he ushered in the era of swing on the stage of New York's Paramount Theater, and his music took America by storm.

Twenty-five years after that, he took his band to Moscow, where, as one writer observed, "the swing music that had once set the jitterbugs dancing in the Paramount aisles almost blew down the Iron Curtain." You wouldn't like to make a return trip, would you? [*Laughter*]

Although in his career he has mastered everything from big bands to classics, Benny Goodman will always be known to Americans and the world as the King of Swing.

And the fifth artist we honor tonight is an old friend of mine, a friend of Nancy's, Gene Kelly.

Someone once described Gene as having an American baseball personality. And I think that's just about right. He's a talented dancer, singer and actor, choreographer and director, and a man I personally admire. As a boy, he saw himself as more of a football player and went to his dancing lessons under parental duress. But by the time he was in college, he had founded a dancing school and after graduation tried his luck on Broadway. His talents won him a small dancing part in "Leave It to Me" with Mary Martin, and his career took off. He starred in Mr. Abbott's "Pal Joey" and the "Best Foot Forward" before moving to Hollywood to make film classics like "For Me and My Gal," "Cover Girl," and, of course, "Singin' in the Rain."

Bob Hope used to say that every time Gene Kelly dances, Fred Astaire starts counting his money. [*Laughter*]

Gene isn't dancing much anymore, but he's encouraging promising young dancers to develop their talent. And his legendary accomplishments are ours to enjoy at the turn of a reel or by closing our eyes and remembering. To have seen Gene Kelly dance makes most of us start counting our blessings.

A famous clergyman, Henry Ward Beecher, once said that "every artist dips his brush in his own soul and paints his own nature into his pictures." The artists that we honor tonight have painted a panorama with their lives, a spectacular display of talent, achievement, and personal integrity that challenges all of us to be the best that we can be. They reward our spirit by allowing us from time to time to mingle our everyday world with their world of pageantry and dreams. And how lucky we are that they're Americans. They've enriched us all.

George Abbott, Eugene Ormandy, Lillian Gish, Benny Goodman, and Gene Kelly, on behalf of all Americans, thank you very much.

Note: The President spoke at 5:50 p.m. in the East Room at the White House.

Following the reception, the President went to the John F. Kennedy Center for the Performing Arts for a gala performance honoring the award recipients.

Nomination of W. Paul Thayer To Be Deputy Secretary of Defense
December 6, 1982

The President today announced his intention to nominate W. Paul Thayer to be Deputy Secretary of Defense. He would succeed Frank C. Carlucci, resigned.

Mr. Thayer has been chairman of the board and chief executive officer of LTV Corp. since 1970. He also serves as chairman of the Chamber of Commerce of the United States. He is on the board of the Business Roundtable and is a senior member of the Conference Board.

After serving in the United States Naval Air Corps in World War II in the Pacific Theater, Mr. Thayer became a TWA pilot briefly and then a commercial test-pilot for then Chance-Vought Aircraft and Northrop. In 1955 he joined the corporate structure of Chance-Vought by becoming vice president for sales and service and a member of the board of directors. Mr. Thayer was promoted to president of the reorganized corporation (now called Ling-Tempco-Vought Aerospace) in 1965, later becoming chairman of the board.

Mr. Thayer attended the University of Kansas, majoring in petroleum engineering. He is married to the former Margery Schwartz, and they have one daughter, Brynn. They reside in Dallas, Tex.

Mr. Thayer was born November 23, 1919, in Henryetta, Okla.

Nomination of Diane Kay Morales To Be a Member of the Civil Aeronautics Board
December 6, 1982

The President today announced his intention to nominate Diane Kay Morales to be a member of the Civil Aeronautics Board for the term of 6 years expiring December 31, 1988. She would succeed George A. Dalley.

Ms. Morales has been serving as Deputy Assistant Secretary, Office of Territorial and International Affairs, and Special Assistant to the Secretary, at the Department of the Interior since 1981. She was also appointed by the President to serve as a Commissioner of the Native Hawaiian Study Commission from September 1981 until June 1983. Prior to her position at the Department of the Interior, she was senior associate and department manager for 3D/International in Houston, Tex., in 1980–1981; department manager for Neiman-Marcus in Dallas, Tex., in 1978–1980; and assistant buyer for Neiman-Marcus in 1977–1978.

She graduated from the University of Texas (B.A., 1968). She was born July 11, 1946, in Houston, Tex. She now resides in Arlington, Va.

Message to the Congress Reporting Budget Deferrals
December 6, 1982

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report 5 new deferrals of fiscal year 1983 funds totaling $624,650,000.

The deferrals are for programs in International Security Assistance and the Department of Housing and Urban Development.

The details of each deferral are contained in the attached reports.

RONALD REAGAN

The White House,
December 6, 1982.

Note: The attachments detailing the deferrals are printed in the Federal Register *of December 10, 1982.*

On December 7, the President transmitted to the Congress a message which withdrew this message.

Letter to Members of the House of Representatives Urging Support for Production of the MX Missile

December 6, 1982

On November 22, I informed you of my MX basing decision and underlined the absolute necessity of modernizing the Triad so that we can restore the strategic balance and maintain effective deterrence. Of equal importance, we must move forward with the MX to have any hope of achieving meaningful progress at the arms negotiations in Geneva. History shows that unilateral restraints by the United States have not led to arms reductions by our adversaries.

Having sought the counsel of my predecessors, the views of Congressional leaders, and the advice of America's best technical and scientific minds, I am convinced that Peacekeeper is the right missile and that now is the right time. I, therefore, urge you to support the MX program—as approved by the Appropriations Committee—when the House considers my fiscal year 1983 defense budget request this week. The Appropriations Committee language permits us to continue work on the MX and to protect an initial operational capability in 1986, while providing Congress with additional time to conduct a thorough review of my basing plan. This strikes me as a reasonable approach as we work together toward the common goal of maintaining peace.

On a related matter, the Appropriations Committee has already significantly cut my fiscal year 1983 defense budget request. Any further reductions in my request would deal a serious setback to our overall defense buildup and would have adverse foreign policy consequences. In particular, I urge you not to support an across-the-board reduction in appropriations for defense.

Let us thus join together in rebuilding America's defense posture, in enhancing our deterrence posture, and in enriching the prospects for meaningful arms reductions.

RONALD REAGAN

Note: As printed above, this item follows the text of the letter released by the Office of the Press Secretary.

Letter Accepting the Resignation of Frank C. Carlucci as Deputy Secretary of Defense

December 6, 1982

Dear Frank:

It is with deep regret that I accept your resignation as Deputy Secretary of Defense effective December 31, 1982.

I would like to thank you on behalf of the American people for your long and dedicated service to our country in a variety of key posts, most recently as Deputy Secretary of Defense. Your dedication and efforts to reduce costs and improve management systems have been truly appreciated. I know that in the years ahead you will be

able to look back with pride on your significant accomplishments.

You may be sure that you have my best wishes for every future success.

Sincerely,

RONALD REAGAN

[The Honorable Frank C. Carlucci, Deputy Secretary of Defense, Washington, D.C. 20301]

November 12, 1982

Dear Mr. President:

This is to inform you of my intention to resign as Deputy Secretary of Defense, effective December 31, 1982. This decision has been made for purely personal reasons.

It has been a pleasure and an honor to work for you and Secretary of Defense Caspar Weinberger. I very much appreciate your strong support for our efforts to implement your policy of strengthening America's defenses. Your vision and your steadfastness have contributed greatly to the cause of peace.

You have an outstanding Secretary of Defense in Cap Weinberger. I hope you will continue to give him the kind of support you have provided in the past. If I can ever be of any assistance to you or your Administration, I would be delighted to do so.

Respectfully,

FRANK C. CARLUCCI

[The Honorable Ronald Reagan, President of the United States, Washington, D.C. 20500]

Note: The text of the letters was released by the Office of the Press Secretary on December 7.

Remarks at the Welcoming Ceremony for President Mohammad Zia-ul-Haq of Pakistan

December 7, 1982

President Reagan. Mr. President, Begum Zia, it's a great pleasure for Nancy and me to welcome you to Washington today. Your visit to the United States this week both symbolizes and strengthens the close ties which exist between our two countries.

As you arrive here, the world, and your region in particular, are passing through a critical phase. We confront serious challenges that by choice and necessity will draw our peoples ever closer. It's vital that those nations committed to peace and progress work diligently together to achieve those goals.

One of Pakistan's founding fathers, Prime Minister Liaquat Ali Khan, visited Washington in 1950. And speaking before the United States Senate, he described our continuing challenge. He said, "This is the century of great awakenings in all parts of the globe. And it depends entirely on the leaders of the world whether mankind will awaken to the horrors of darkness or to a glorious dawn." Well, his words ring true even now.

Pakistan today stands in the front rank of the nations shouldering a great responsibility for mankind. Your courageous and compassionate role in giving shelter to millions of Afghan refugees is well known to the American people and will long be remembered. We're proud to stand with you, Mr. President, helping to provide for these tragic victims of aggression, while, at the same time, seeking a peaceful resolution of the circumstances which brought them to your country.

We also applaud your efforts and those of the Indian Government to reconcile your differences. The steps you take today to deter these relations will bring incalculable benefit to all the people of the sub-continent and will be memorialized in improvement of their lives.

Similarly, Pakistan's positive response to peace efforts in the Middle East have contributed to our confidence that our two countries can work together for peace and

stability. After many years of disappointment, there is growing recognition in the Middle East that a continuation of violence can only breed a worsening conflict. This cycle must be broken. We're gratified to know that we can count on Pakistan's cooperation in confronting these perplexing problems.

We believe that the program of economic and security assistance on which we embarked last year will contribute to the tranquility and progress of the entire region, and it's our hope that reinvigoration of the relationship between our two countries will enable Pakistan to maintain its courageous stand on behalf of peace and amity of nations.

The United States-Pakistani friendship, which stretches back over 30 years, has been tested by time and change. It has endured, and, because of the substantial agreement between us on the great issues of peace, development, and security, it grows stronger daily.

Underlying our ties, however, is something which is even more critical in an enduring relationship and that is the warmth and understanding that exist between the people of our countries. This friendship is based on the mutual warmth and affection which have developed between our people, something which no government can mandate and which is indeed a cherished possession.

When you leave us and leave the United States next week, Mr. President, we want you to return home secure in the knowledge that the American people support close ties with Pakistan and look forward to expanding them in the coming years. We hope the friendship and hospitality that you receive during your stay will underline our good will and the permanence of our bond.

Mr. President, Begum Zia, welcome to the United States.

President Zia. In the name of Allah, the beneficent, the merciful. Praise be to Allah, Lord of the Worlds, and blessing and peace be upon the seal of the last of the prophets.

Mr. President, Mrs. Reagan, distinguished guests, ladies and gentlemen:

Sir, may I thank you most sincerely for your very kind words of welcome, for the warmth with which we have been received, and the generous hospitality that has already been extended to me, my wife, and the members of my delegation since we arrived in your great country.

Mr. President, I am no stranger to the United States. I've had the honor of coming here a few times before. But each time I have felt that it was a new experience for me. Perhaps this is because of the perpetual freshness, the vibrant dynamism, and the ceaseless, forward movement which characterize this great nation of yours.

My visit this time, Mr. President, is not just one of discovery or rediscovery. I take it as one of my—as a visit of great importance for renewal and reaffirmation: renewal of a friendship that has to us many ups and downs, and reaffirmation of those shared values and perceptions on which our relationship is based. I, therefore, look forward to the strengthening of our ties as the years go by.

Mr. President, west and southwest Asia, from the eastern Mediterranean to Afghanistan, is today in ferment. Armed aggression, military intervention, conflicts, disregards for universally accepted principles of international conduct have all combined to present a serious challenge to the security of the countries of this region. This in turn threatens to undermine the whole structure of the international relations upon which the peace of the world ultimately rests.

Mr. President, sir, Pakistan's continued commitment to the principle of nonalignment and to the objectives of the Islamic Conference are the fundamental postulates of its foreign policy. Pakistan is endeavoring to contribute effectively to the peace and stability of a troubled and turbulent region. But we cannot ourselves long remain immune from the dangers around us, Mr. President, nor have we in fact escaped their consequences.

The responsibility for providing refuge and a safe haven for nearly 3 million fleeing the repression in Afghanistan has been shouldered by our people as a humanitarian duty in the spirit of Islamic brotherhood. Nevertheless, the burdens are there, especially for a developing country like Pakistan.

But at the same time I must emphasize

that we have borne these burdens ungrudgingly, and we will continue to do so, *enshallah.* We are conscious of the security implications of the great developments across our border. The qualitative change brought about by these developments and their impact on the entire region have evoked a response from the United States, which, Mr. President, we appreciate.

It was as a result of our common concern that our two governments decided on a program to enhance Pakistan's potential to withstand external forces of disruption and continue to play a stabilizing role in the region.

Mr. President, sir, it's our consistent endeavor to find equitable and humane solutions to the conflicts in our region. This task can only be accomplished through negotiation and mutual accommodation within the framework of the principles and resolutions of the United Nations. It must also inevitably entail the proper regard for the individual and collective dignity of the peoples involved.

In this endeavor, we have been fortunate, Mr. President, to have your understanding. What is more, sir, I claim that we have your friendship as well—a friendship mature enough to withstand differences of opinion and mirrored by the very candor and sincerity of our mutual exchanges. For all this, sir, we're indeed very grateful to you.

Mr. President, I have come here to deepen and strengthen this friendship. I'm looking forward to our talks later this morning. And I have no doubt that they will lead us to this goal and that our respective efforts on behalf of peace and stability in our region and in the world in general, *enshallah,* shall bear fruit. Indeed, Mr. President, borrowing your own words, it will be in the fitness of the things for me to conclude by saying, sir, that you and I have a rendezvous with destiny.

I thank you.

Note: President Reagan spoke at 10:15 a.m. on the South Lawn of the White House, where President Zia was accorded a formal welcome with full military honors.

Following the ceremony, the two Presidents met privately in the Oval Office. They then joined their delegations in the Cabinet Room for further discussions.

Statement by Deputy Press Secretary Speakes on Production of the MX Missile

December 7, 1982

Soviet Defense Minister Ustinov's remarks are a clear effort to influence the American political process. He fails to mention that the Soviet Union has already deployed 308 SS–18 ICBM's, which are larger and heavier than the MX, and 300 SS–19 ICBM's, which are roughly equivalent to the MX in size. All are capable of destroying hardened targets in the United States.

The Soviets have failed to mention openly that they already have the first of their next generation of ICBM's in flight testing. This testing began prior to the President's decision on the Peacekeeper. While we have openly explained the purpose and the characteristics of the Peacekeeper, the Soviets have yet to provide any information on the purpose and capabilities of their new missile.

For the Soviets now to cast the MX in the role of another excuse to build more missiles makes no sense when the United States is trying to redress the balance which the Soviet Union has upset.

Note: Deputy Press Secretary Larry M. Speakes read the statement at his daily press briefing in the Briefing Room at the White House.

Message to the Congress Reporting Budget Deferrals
December 7, 1982

To the Congress of the United States:

I hereby withdraw my message transmitted on December 6, 1982 (H. Doc. 97-261) under the Impoundment Control Act of 1974 by which 11 deferrals were reported, and I report herewith 13 new deferrals of fiscal year 1983 funds totaling $1,569,870,000 and three revisions to existing deferrals increasing the amount deferred by $1,173,257,000.

The deferrals are for programs in International Security Assistance and the Departments of Defense-Military, Energy, Housing and Urban Development, Interior, and Treasury, the National Aeronautics and Space Administration, the Veterans' Administration, and the Interstate Commission on the Potomac River Basin.

The details of each deferral are contained in the attached reports.

RONALD REAGAN

The White House,
December 7, 1982.

Note: The attachments detailing the deferrals are printed in the Federal Register *of December 10, 1982.*

Nomination of Four Members of the Board of Directors of the Corporation for Public Broadcasting
December 7, 1982

The President today announced his intention to nominate the following individuals to be members of the Board of Directors of the Corporation for Public Broadcasting for terms expiring March 26, 1988:

Richard Brookhiser would succeed Michael R. Kelley. He is currently editor of the National Review. He is married and resides in New York City. He was born February 23, 1955.

Karl Eller would succeed Clyde M. Reed. He is president of Columbia Pictures Communications in Phoenix, Ariz. He is married, has two children, and resides in Phoenix. He was born June 20, 1928.

Helen Marie Taylor would succeed Gillian Martin Sorensen. She is active in civic and political affairs. She also has been involved in the performing arts for many years. She is married, has three children, and resides in Richmond, Va. She was born November 17, 1923.

Sharon Percy Rockefeller, reappointment. She is a member of the board of directors of Stanford University. She was a member of the board of directors of WETA, Washington, D.C., in 1974–1977. She is married, has four children, and resides in Charleston, W. Va. She was born December 10, 1944.

Statement on Action by the House of Representatives on Production of the MX Missile
December 7, 1982

Today's vote by the House of Representatives was a grave mistake. Unless reversed in coming days, it will seriously set back our efforts to protect the Nation's security and could handcuff our negotiators at the arms table.

I had hoped that most of the Members in the House had awakened to the threat facing the United States. That hope was apparently unfounded. A majority chose to go

sleepwalking into the future.

The facts on the Peacekeeper missile are clear and straightforward:

—For 37 years, we have kept world peace because we have been adequately protected on land, sea, and air. We maintained a margin of safety.

—But in recent years, a vital part of that defense—our land-based missile sys- tem—has become increasingly obsolete. The United States hasn't built a new land-based missile system in 15 years; the Soviets are now in their fifth generation of new missiles.

—As a result, a window of vulnerability has opened for the United States, a window the Peacekeeper is designed to close.

—Unless we act soon, the Soviets cannot only discount our land defenses, but they can also concentrate their new research on defeating us at sea and in the air.

—And of great importance, we should know from experience that the Soviets will not negotiate with us when we disarm ourselves. Why should they negotiate seriously when we give up weapon systems voluntarily, asking nothing of them in return?

It would be tragically ironic if this of all days—December 7th—once again marked a time when America was unprepared to keep the peace.

Fortunately, there is still time to reverse this grievous error. Soon the issue will be taken up by the United States Senate. If it succeeds there, a conference of the House and Senate can be convened and the production program can be saved. Then we can engage in a longer debate on the best way to house the missile.

In the meantime, I plan to do everything I can to take this case to the country. Jefferson said the American people if given the facts would never make a mistake. I will present those facts and urge our citizens everywhere to join in trying to restore America's margin of safety.

Toasts of President Reagan and President Mohammad Zia-ul-Haq of Pakistan at the State Dinner

December 7, 1982

President Reagan. If I'm late getting up here, I just had to finish the story. [*Laughter*]

President Zia, Begum Zia, distinguished guests, it's an honor for me to welcome you to the White House this evening.

Mr. President, our talks this morning underlined again the strong links between our countries. We find ourselves even more frequently in agreement on our goals and objectives. And we, for example, applaud your deep commitment to peaceful progress in the Middle East and South Asia, a resolve which bolsters our hopes and the hopes of millions.

In the last few years, in particular, your country has come to the forefront of the struggle to construct a framework for peace in your region, an undertaking which includes your strenuous efforts to bring peaceful resolution to the crisis in Afghanistan—a resolution which will enable the millions of refugees currently seeking shelter in Pakistan to go home in peace and honor. Further, you've worked to ensure that progress continues toward improving the relationship between Pakistan and India. And in all these efforts the United States has supported your objectives and will applaud your success.

A great intellectual forefather of Pakistan, Muhammed Iqbal, once said that, "The secret of life is in the seeking." Well, President Zia, today the people of the United States and Pakistan are seeking the same goals. Your commitment to peace and progress in South Asia and the Middle East has reinforced our commitment to Pakistan. We want to assure you, Mr. President, and the people of your country that we will not waver in this commitment.

Our relationship is deep and longstanding. It stretches back to Pakistan's first days of independence. It stretches forward as far

as we can see. It's based on mutual interest, yes, but also on shared visions and goals in the world around us. It is based, as well, on the fact that the people of both our countries sincerely value the good relations and the affinity between us.

Our people already work together in significant ways through educational exchanges, tourism, economic cooperation, and through bonds of family and friendship. We have cooperative programs in science and technology and in agriculture, and we hope to explore with the Government of Pakistan various ways of enhancing cooperation.

Differences may come between our nations or have come between our nations in the past, but they've proven to be transitory while the ties which bind us together grow stronger year by year. As we welcome you here tonight as the representative of your country and its people, we can say with confidence that those ties will continue to grow stronger and that the good will which exists between our two countries will prove to be both true and lasting.

And, Mr. President, I propose a toast to you, to the people of Pakistan, and to the friendship that binds our nations together.

President Zia. In the name of Allah, the beneficent, the merciful, we praise Him and we send blessings on His honored messenger.

Mr. President, Mrs. Reagan, Excellencies, distinguished guests, ladies and gentlemen:

After hearing such an eloquent speech from—Mr. President, from you, and having had such a sumptuous—so well presented in such a fine company—a meal that I will perhaps cherish for many years to come, I see very little that I can add to what you have very kindly said. But still, Mr. President, my wife and I, as well as the members of my delegation, are most grateful to you, sir, for the honor you have done us in hosting this delightful banquet for us tonight. I have been deeply touched by the sentiments of your friendship that you have expressed towards me and my country, which are most warmly reciprocated.

Mr. President, the people of Pakistan are deeply committed to molding their lives and building their institutions in keeping with the dictates of Islam. Islam ordains upon—follows a belief in the equality and universal brotherhood of mankind. It was the dedication of your Founding Fathers, Mr. President, to similar ideals that created this great republic, the United States of America.

Mr. President, your country has been called the melting pot of people from all over the world. This is a trait we share with you, though, perhaps, on a very smaller scale. Let me therefore take you back to Pakistan, if I can.

Herein lies the Indus Valley, which is the heartland of Pakistan. This valley has been a veritable thoroughfare throughout history. Untold millions, representing all the major races of the Eurasian mass have made their way through our mountain passes to settle in or to pass through the Indus Valley. They came in all guises. They came as conquering hordes, as defeated or wandering tribes, as mystics and missionaries, as saints and sultans, and even as tourists and traders, both ancient and modern. And 35 years ago, Mr. President, many millions of Muslims of the South Asian subcontinent came together to help build a dream called Pakistan.

Thus we are indeed the heirs to a rich and a varied, if also somewhat turbulent historical heritage. But by the same token, we are a vigorous people with an innate feel for the movements of history.

And, Mr. President, unfortunately, a new and menacing turbulence has arisen in our region. More than a fifth of the entire population of Afghanistan has been compelled to seek shelter in Pakistan as a result of the armed intervention in that country by a foreign power. We are bending our effort to resolve this tragic situation through a peaceful political settlement, in accordance with the principles enunciated by the international community. The latest manifestation of this was the Resolution of Afghanistan adopted by the United Nations General Assembly, once again with the overwhelming support of the member states.

There are other turbulences in our region, Mr. President. The war between Iran and Iraq and the suffering recently visited upon the Lebanese and Palestinian people continue to cause us profound con-

cern and anguish.

The situation calls for difficult yet courageous decisions. The most important of these is to find a just and a durable solution to the Palestinian problem, in accordance with the national rights of the Palestinian people. If I may be permitted, sir, to recall my words, it is for the first time that Arabs have put up a unified plan for the solution of the Palestine problem. To the best of my knowledge, it is for the first time that the President of the United States of America has put up a very comprehensive plan with some very positive elements in this.

Mr. President, knowing your humane qualities, knowing you as a man of God, knowing you as a man of peace, I urge you not to leave this opportunity that is coming your way. I request you to be yourself, to find the rest of you and take this bold step, because history will then remember you not only as Reagan of the United States of America but Reagan the Peacemaker, the Reagan who solved practically an insolvable problem. We in Pakistan, Mr. President, wish you to take this initiative, and we wish you all the best. And we will pray for your success.

Earlier today in our personal discussion and in the talks including our colleagues, I had an opportunity to discuss these and other issues with you. I'm deeply gratified by the manner in which you made clear your continuing and deep-felt interest in the welfare and prosperity of the people of Pakistan and your support for what we are doing for the sake of stability in our region.

In turn, Mr. President, I would like to assure you, sir, of our confidence that with your acknowledged qualities of human understanding and with the high principled tradition of your country behind you the United States will keep faith with its friends and well-wishers.

Mr. President, allow me to thank you also for what you have said, for what you have said about the continued relationship between Pakistan and the United States of America. We cherish this union of partners—though unequal partners—but as two sovereign states comprising of people who love each other, comprising of people who have love and regard for humanity, comprising of people who love peace. And, as you said about the United States of America, that if this country has been created, God must have ordained this to be a country of peace.

Spread this America, Mr. President, to areas other than the United States of America. Let America be the torchbearer of peace, peace not only on the American continent but peace in Afghanistan, peace in Vietnam, peace in Somalia, and above all, peace in Palestine. We wish you, sir, all the best in your endeavors. And you will never find Pakistanis faltering. We'll be there right behind you to give you the helping hand, if we can, at the moment that you wish us to do so.

With these words, may I request you, ladies and gentlemen, to join me in a toast to the health and happiness of President Reagan and his charming wife, Mrs. Nancy Reagan, the continued progress and prosperity of the people of the United States, the establishment of peace, stability, and justice throughout the world. To the health and happiness of all friends, ladies and gentlemen, who are present here tonight. And, finally, a continuing friendship between Pakistan and the United States of America.

I thank you.

Note: President Reagan spoke at 9:50 p.m. in the State Dining Room at the White House.

Nomination of R. Richard Rubottom To Be a Member of the Board of Directors of the Inter-American Foundation

December 8, 1982

The President today announced his intention to nominate R. Richard Rubottom to be a member of the Board of Directors of the Inter-American Foundation for a term expiring September 20, 1988. He would succeed Alberto Ibargüen.

Mr. Rubottom is currently serving as foreign relations adviser to Gov. William P. Clements; chairman of the Good Neighbor Commission of Texas; and U.S. representative on the Inter-American Boy Scout Council in Dallas, Tex. He was president of the University of the Americas, Puebla, Mexico, in 1971–1973, and served as director of the Center of Ibero-American Civilization, Southern Methodist University, in 1975–1977. Mr. Rubottom was with the Department of State in 1947–1964, serving in foreign service posts in Latin America and Spain, and in Washington, D.C.

He graduated from Southern Methodist University (B.A., 1932; M.A., 1933). He received an LL.D. (honorary) from Southwestern College in 1968. He is married, has three children, and resides in Dallas, Tex. He was born February 13, 1912.

Nomination of Two Members of the Board for International Broadcasting

December 8, 1982

The President today announced his intention to nominate the following individuals to be members of the Board for International Broadcasting for a term expiring April 28, 1985:

Thomas F. Ellis would succeed Charles David Ablard. He is a partner in the law firm of Maupin, Taylor & Ellis, P.A., in Raleigh, N.C. He was special counsel for the Governor's Advisory Committee on Education in 1955–1956 and an assistant United States attorney in 1952–1954. He graduated from the University of North Carolina (B.S., 1943) and the University of Virginia (J.D., 1948). He is married, has two children, and resides in Raleigh, N.C. He was born August 10, 1920.

Michael Novak would succeed Thomas H. Quinn. He is currently serving as resident scholar at the American Enterprise Institute. He is also adjunct professor of religion at Syracuse University. He was a writer with Universal Press Syndicate in 1976–1980 and since 1979 with the National Review. He graduated from Stonehill College (A.B., 1956), Gregorian University in Rome, Italy (B.T., 1958), and Harvard University (M.A., 1965). He is married, has three children, and resides in Washington, D.C. He was born September 9, 1933.

Appointment of Two Members of the President's National Security Telecommunications Advisory Committee, and Designation as Chairman and Vice Chairman

December 8, 1982

The President today announced his intention to appoint the following individuals to be members of the President's National Security Telecommunications Advisory Committee. Both are new positions.

Rand V. Araskog will be designated Chairman.

He is president, chairman of the board, and chief executive officer of International Telephone & Telegraph World Communications. He is married, has three children, and resides in Smoke Rise, Kinnelon, N.J. He was born October 30, 1931.

Joseph V. Charyk will be designated Vice Chairman. He is president and chief executive officer of Communications Satellite Corp. in Washington, D.C. He is married, has four children, and resides in Washington, D.C. He was born September 9, 1920.

Remarks at a White House Luncheon for Members of the President's Task Force on Private Sector Initiatives
December 8, 1982

I'm glad that there was a certain pause there between the film and my being brought up here, because how do you talk with a grapefruit in your throat?

I thank you all very much, but it's I who should be applauding you and your neighbors and your fellow citizens doing the same. Bill,[1] you, your committee and the chairmen and all the Task Force members have worked very hard, and I'm personally very grateful. You've reawakened America's awareness of private answers for many of our problems. This is no small achievement. You've generated a wave of interest we can turn into a tide of enthusiasm. You've reminded us that as Thomas Jefferson said, "We are all federalists. Our cause does not belong to any party or region or class." It is a bipartisan drive to help meet the needs of all our people to increase our self-reliance to make America great again.

Well, Bill, as I listen to your report, full of so many ideas and projects that you've found and shared across the country and as I watched your impressive film, I thought again how right I was to track you down in the mid-Atlantic and recruit you. And right there on the phone, he didn't even say, "I'll call you back." He said, "Yes," he'd do it. [*Laughter*] Then I included in my prayers that the ship would make a safe landing.

You've brought together 44 of the most innovative and dynamic individuals from around the country. And you've accomplished much. We can all be proud of your results. Of course, I didn't realize at the time how busy you'd keep me. I probably made as many phone calls and written as many letters and held as many meetings, as Bill told you, and visited as many cities on behalf of our private sector initiative program as I have for just about everything else that we've been doing. And frankly, I think that was proper, because I think this was just about as important as anything that I could be called upon to do—our commitment to this project, to reaffirm belief in individual effort. And the private sector potential runs very deep.

America was built on the voluntary principle by good neighbors who knew that they had to rely on each other. We don't intend for the private sector to assume government's legitimate responsibilities, but revival of this resource is very important to our country's well-being. I believe Americans are still good and giving people, and encouraging that part of our national character is essential to the American renewal that we all seek.

As I've said, we must call upon every resource at our disposal if we're to grow in the decades ahead. And that's why we began to tap this wellspring of self-reliance even before I took office. Shortly after my election, I asked several people on our staff to begin working with groups in the private sector, not only with big business but with small businesses, neighborhood groups, union representatives, and civic and religious leaders to make helping our neighbors and our communities an honor and a privilege once again. During the early part of the administration, we talked with many of you, with hundreds of others, about promot-

[1] *C. William Verity, Jr., Chairman of the President's Task Force on Private Sector Initiatives.*

ing self-help activities, removing barriers to local initiatives, and stimulating entrepreneurial approaches to problemsolving.

In June of '81, I asked Bill Baroody, president of the American Enterprise Institute, to study how private institutions can help individuals in need. Later that summer, we created the new White House office, Office of Private Sector Initiatives, to coordinate our efforts. And 1 year ago, your Task Force was formed.

I don't have to mention all of your accomplishments, but I can't resist bragging about a few. Bill has already told you about them, but there are some others who are listening in now that I think should know.

For example, because of you, yes, more than 70 television stations across America have broadcast stories about private sector solutions to community problems. And many of their communities turned those ideas into action. This year, more than 40 governments—42, actually—pledged their support for private sector initiatives. More than 550 national organizations have responded to your call for help and to help individuals and communities work together. You've involved fraternal and service organizations and religious, business, and professional groups.

With your encouragement, new opportunities for our people have sprung up around the country. A job-a-thon in Cedar Rapids, Iowa, for example, was the first of its kind; resulted in employment for 300 people. A job fair in Columbus, Ohio, was another tremendous success; produced nearly 500 jobs. And the Greater Houston Alliance of Business, through the cooperation of the Houston Task Force, the local Chamber of Commerce, and the Texas Employment Commission, was able to place about 3,000 young people in summer jobs. Our Task Force has been active in many areas, from job-a-thons to help fairs, to supporting innovative high schools.

This year we presented the first annual President's Volunteer Action Awards, and earlier this year Bill Verity showed me and members of the Cabinet your data bank, as he has told you—2,500 examples of private sector initiatives across the country and all with names and phone numbers of people who have willingly permitted themselves to be put in that job bank so that anyone in the country can call in and find out about these programs and be put directly in touch with the people that are making programs operate in their communities.

I understand, Bill, that you're working with several groups to keep the bank going after today. I know it'll continue to be a valuable resource.

I'm looking forward to reading the committee chairmen's report and reviewing the other studies the Task Force worked so hard to put together, especially those books there on reinvesting in America, corporate responsibility, and volunteering.

You have all set the stage for the rebirth of creative approaches to meeting human needs. As we end this survey phase of our effort and enter the new period of activism, it's important to recognize the themes that have developed in your work.

The first is that private initiative means more than private money—much more. It means leadership to channel our diverse community resources to solve our most pressing problems.

Second is the need to develop a new state of mind, to look first not to what government can do to help, but to what we can do as individuals or private organizations to make our neighborhoods and communities better places to live.

Third, government has the responsibility to ensure that basic human needs of all our citizens are met and to guarantee their rights. But each of us must recognize our individual responsibility to lift our country and our people to even higher standards of living, happiness, and fulfillment.

Now we must capitalize on what you have started. I know the Task Force is recommending that we continue involving the public sector at the highest levels. I promise you, this Task Force may be going out of business, but the PSI's are here to stay in this administration.

I hope to announce shortly after the first of the year a new working group of Cabinet members and private individuals, as Bill has suggested, who will carry on your efforts. We will expand our emphasis on private sector until it reaches into every office and department in this administration. I've al-

ready directed members of the Cabinet to put encouragement of the private sector in as one of the top things on their agenda. And today I charge each of you to keep telling the exciting story of what Americans can and are doing all over our country to help their neighbors and themselves.

It was once written that America is great because America is good, and if America ever ceases to be good, America will cease to be great. I have no fear that the character and generosity of our people will erode. But I am concerned that we don't draw from that deep well of compassion and goodness nearly enough. Together, we can bring back the recognition voluntary action, private initiative, once enjoyed. We will remind the American people of how good and how great they really are. And in so doing, we will ensure our inner strength for generations to come.

Other people in the world know how great and good we are. I've told, at times, of how, at the end of World War II, when the world almost seemed to be entering a Dark Ages, Pope Pius XII said that "The American people have a genius for great and generous deeds." And he said, "Into the hands of Americans, God has placed an afflicted mankind."

Now, I understand I have an opportunity to thank each of you personally for your work. And we're going to have our pictures taken over here in a kind of receiving line. And I'm looking forward to that. But before we do, however, I have a presentation to make to Bill Verity.

Bill, over the past 13 months, you and the Task Force members have been keeping the rubber on the road and—well, let's just say you've really been on a roll for the PSI. Even when the critics were telling you that you were full of hot air, you didn't let the pressure get to you. So, Bill—first of all, 13 is not an unlucky number anymore. And for all your tireless efforts, you really deserve something—an award to gage the progress and measure the momentum of the PSI. So, I thought it would be appropriate to give this PSI gage—[*laughter*]—to measure your future accomplishments.

You will note that the gage is set at 13, representing the number of months this Task Force has existed. I know it's not going to stop there. So, thank you for everything. And there's your tire gage, gold-plated.

There is no way to thank you all enough. And I have to say this—it is a day of mixed emotions. I feel a sadness here that the Task Force is—you won't go too far, will you? [*Laughter*] I mean, you'll be within calling distance if we need you. And I'm sure we will.

But that film—everyone has to see that to see those children volunteers, coming into the loneliness of old age, their hands on the shoulder and the back of those older people—and how both were gaining from that.

I've just got to tell one little story. I have been sent a letter which, one of these days, I am going to see is delivered to the American people. It happens to be from one of our young sailors on a carrier out in the Pacific, and just recently, they came upon a sinking boat of Vietnamese refugees, and they brought them on shore. And this letter is from the boy to his mother and father telling about that day.

And he said, "It was awful hard to talk when you had a lump between your chin and your belly button." And he then went on about this and about all of them on there. But what he ended with was so articulate and so inspiring—a boy talking to his mother and father after this adventure and then how he said to them, "I hope this will always be true of our country. I hope that we will always be the place where anyone from any place in the world who is in need and in trouble can come to our country, and we'll find room for them no matter how many they may be."

And I won't say any more about it, because, as I say, that letter—I'm going to see that the people here—and having been an actor with lines like that, I'm not going to give them to anybody else. [*Laughter*] I'd better read them.

But I'm going over here now and meet all of you individually, and God bless all of you and thank you.

Note: The President spoke at 1:38 p.m. in the Grand Foyer of the White House.

Remarks to Reporters Announcing the Administration Proposal for an Agriculture Payment-in-Kind Program

December 9, 1982

The President. I have just completed a meeting with the Cabinet Council on Food and Agriculture, where we had an extensive discussion on the challenges facing farmers.

Secretary Jack Block pointed out that a weak demand for crops and large supplies have created difficult conditions for farmers. I should have been a little slower there in reading that particular statement. I made it sound like the weak demand for crops and large supplies ran together there. We have large supplies, and at the same time, we have a weak demand for crops.

In response to this situation, acreage reduction and diversion programs for 1983 were announced early by the Agriculture Department to provide farmers with maximum time to plant their crops. However, recent developments indicate that there may be an even larger imbalance between demand and supply for the coming year so that additional steps are needed. Secretary Block and others at the U.S. Department of Agriculture have been working hard in recent weeks and have come up with a highly innovative approach that will enhance long-term prospects for a recovery in the farm community.

This morning I have authorized the Secretary to propose to the Congress on behalf of the administration a new payment-in-kind program. Under this program, participating farmers would be eligible to divert additional acreage into a soil-conserving use. They would then be paid in kind from our bulging government surpluses. In other words, they would be paid in bushels of the same surplus commodity they might otherwise have grown. These farmers would then have full discretion to feed, sell, et cetera, the commodity received as payment in kind.

As Secretary Block has pointed out, this new payment-in-kind approach has several significant advantages. Production can be reduced, thus bringing supply back into closer demand with balance. Stocks can be reduced at the same time, lessening the overhang on the market at harvest next year and enhancing the prospects for a market-led recovery in farm prices and incomes in future years. The availability of market supplies will be maintained, signaling that the United States will continue to be a reliable supplier. Government outlays on farm programs should decline, and sound conservation practices would be applied.

In short, Secretary Block and his team have come up with a good, imaginative program, and I'm pleased that we can go forward with this announcement today.

Now, the Secretary is due on Capitol Hill to testify in a few moments, and I am due about 4 minutes ago for a meeting with Ambassador Habib, who has returned from the Middle East for this very purpose of briefing us. So, I am going to leave, but I thought that Jack might be able to take a few moments to speak with you for a moment before he has to go up on the Hill.

And, Jack, I'll turn it over to you.

Reporter. Mr. President, why should the Senate approve the MX when a majority of your Joint Chiefs opposed it and say they find it difficult to understand the basing plan?

The President. I think that's been a little distorted, because the same Joint Chiefs—well, one or two at most—had different ideas that they thought might be better with all the confusing things. They did agree that if this was the method I chose, they would be in support of it.

Note: The President spoke at 11:58 a.m. in the Briefing Room at the White House. Following his remarks, Secretary Block answered reporters' questions.

Nomination of Richard Fairbanks To Have the Rank of Ambassador While Serving as Special Adviser to the Secretary of State

December 9, 1982

The President today announced his intention to nominate Richard Fairbanks, of the District of Columbia, for the rank of Ambassador while serving as Special Adviser to the Secretary of State. He will become fully involved in the Middle East peace initiative.

Mr. Fairbanks served in the United States Navy in 1962–1966. He was an associate attorney with Arnold and Porter, Washington, D.C., in 1969–1971 and founding partner of Beveridge, Fairbanks and Diamond, Washington, D.C., in 1974–1981. In 1971 he was special assistant to the Administrator of the Environmental Protection Agency. He was with the President's Director for Natural Resources, Energy and Environment in 1972–1974. In 1974–1977 he was a member of the Citizen's Advisory Council on Environmental Quality. In 1981–1982 he was Assistant Secretary of State for Congressional Relations. Since 1982 he has been Special Adviser to the Secretary of State with the personal rank of Ambassador.

He graduated from Yale University (A.B., 1962) and the Columbia University Law School (J.D., 1969). He was born February 10, 1941, in Indianapolis, Ind.

Nomination of Carol McGrew Pavilack To Be a Commissioner of the United States Parole Commission

December 9, 1982

The President today announced his intention to nominate Carol McGrew Pavilack to be a Commissioner of the United States Parole Commission, Department of Justice, for a term of 6 years. She would succeed Dorothy Parker.

Since 1980 she has been serving as technical adviser to the Maricopa County Alternatives to Incarceration Commission. She has been a member of the Arizona Board of Pardons and Paroles since 1978 and served as vice-chairman in 1978–1980. She was a member of the Criminal Advisory Committee in Phoenix, Ariz., in 1973–1978.

She graduated from Wellesley College (B.A., 1960) and Arizona State University (M.S., 1978). She has one child and resides in Phoenix, Ariz. She was born April 9, 1938.

Statement by Deputy Press Secretary Speakes on the South African Commando Attack in Lesotho

December 9, 1982

We deplore this attack into a neighboring country, particularly the loss of life. This underlines the urgency of resolving the problem. The U.S. strongly believes there are peaceful means to resolving the problems of southern Africa, and those are far preferable to escalation of violence. We have made this position clear to South Africa, and it is at the core of the negotiations which we're pursuing.

Note: Deputy Press Secretary Larry M. Speakes read the statement at his daily press briefing in the Briefing Room at the White House.

Remarks on Presenting the 1982 Awards of the HUD National Recognition Program for Community Development Partnerships

December 9, 1982

Well, I'm here, first, to congratulate all of you. And it's a true pleasure to welcome you here to pay tribute to you and the public and the private sector leaders who've displayed so much creativity, initiative, and tenacity in forging successful public-private partnerships in communities across the country.

And the idea that local government and private sectors should work in harmony in tackling serious problems is about as old as our Republic. But somewhere along the line, in recent years, the people began looking to Washington as the solution to the problems. And after decades of relying on Federal solutions, I think the people are beginning to notice that many of the problems are not only still with us, but, in some cases, they're getting worse.

When we got here, almost 2 years ago now, we promised that we would do our best to bring resources and responsibilities back to the people, to levels of government that were closer to them and more responsive to their needs. Today we're recognizing the program which activates the community forces that are most efficient at meeting local needs—local government and private sector links of leaders who best know the locale, the personalities, and the standards in the area. And while the Federal Government is playing an important role, it is not the dominant partner—as has been the case far too often in the past.

There are those, of course, who are suspicious of this approach. They honestly believe that community-centered programs can't work unless the heavy Federal hand is involved. Well, that's just another way of saying that there are folks here in Washington who have some kind of monopoly on talent and compassion. And while we recognize the Federal Government has many fine people, so does local government and the private sector. And they've been sitting on the bench too long. It's time not only to get them into the game but to recognize they're really—maybe I should be putting that, you're really the first string.

We've found that in towns and cities across the country, there are hundreds of examples of local people—government, business, community activists—who are getting together, agreeing on a course of action, and then moving forward to solve long-festering problems. It's almost like the description of America that was left us by Alexis de Tocqueville, that young man, philosopher from France, who visited America 150 years ago and chronicled his observations in the classic book, "Democracy in America." He said, "Towns are like great meeting houses with all the inhabitants as members. In them the people wield immense influence over their magistrates and often carry their desires into execution without intermediaries."

Well, that's the kind of spirit that we want to encourage, and I think it's the kind of spirit that you represent. You've demonstrated that there is no such thing as "it can't be done." That was shown in Ohio, where a county lost a traditional employment base and, instead of giving up, formed its own economic development team to stimulate new commercial and industrial activity. Another project linked two major tourist attractions by eliminating a shabby and deteriorated three-block corridor that separated them. This resulted in one of the Southwest's finest commercial districts. Still another project in a metropolitan area used a block grant and private funds to make the rehabilitation of multifamily apartment buildings attractive to owners, thus expanding the housing available to low- and moderate-income families.

Today we're recognizing the most note-

worthy public-private partnerships, to thank you for what you've done and to encourage others to follow your example. The projects chosen for top honors are: Savannah, Georgia's Victorian District Project; Wichita, Kansas' Elks Training Center for the Handicapped; Louisville, Kentucky's Galleria Project; Bolivar County, Mississippi's Industrial Development Project; Pascagoula, Mississippi's Adventure Island Playground; New York City's Participation Loan Program; New York's South Bronx 200 [2000] Local Development Corporation; Schenectady, New York's Canal Square; Columbus, Ohio's Innovative Grant Program; Scioto County, Ohio's Economic Development Corporation; and San Antonio, Texas' Alamo Plaza-River Linkage Project.

You know, I can't help but add here—and this one isn't one that's getting recognition—I've read all of those so far that are recognized here today. But I got a letter the other day from a man—you don't very often hear a man say nice things about his brother-in-law. But this man wrote to tell me that in a little town in Illinois, where the principal source of employment, a factory, had closed. Rather than take it lying down, his brother-in-law, one of the employees who'd worked nowhere else as an adult but at that factory, collected some of the other employees, and they just started scrounging, and they got permission to take over an old building from an elderly lady who had inherited it in an estate. They scrounged around buying secondhand machinery and so forth, and they now have a successful metal-processing plant owned by these former employees of the factory that couldn't make it and went broke.

Well, this is just a sample of what's happening. And congratulations to all of you, and thank you for letting me play a part here today. It brightens my day.

Thank you.

Note: The President spoke at 2:36 p.m. in the Indian Treaty Room at the Old Executive Office Building. Following his remarks, he presented the awards to the public and private sector officials involved in the 11 projects.

Memorandum on an Occupational Safety and Health Program for Federal Employees

December 9, 1982

Memorandum for Heads of Executive Departments and Agencies

Subject: Occupational Safety and Health Program for the Federal Sector

I am announcing today, through the issuance of the enclosed policy statement, a major effort directed towards the reduction of illnesses and injuries among Federal workers.

The human suffering which results from work-related injuries and illnesses in the Federal sector must be addressed effectively. Today, I am asking that each head of an agency or a Department review existing safety and health programs and, with the help and advice of the Department of Labor's Occupational Safety and Health Administration, take every step possible to reduce the number of occupational injuries and illnesses occurring in the Federal sector. The Federal government remains the Nation's largest single employer and has represented in its workplaces all of the hazards found in private industry. Through effective administration, the Federal workplace can serve as a model for the private sector. That is what I am asking you to accomplish.

Besides our overriding goal of providing a safer and healthier workplace for Federal employees, this effort should result in significant cost savings. Reducing these financial and human losses depends on your commitment and the commitment of your senior staff, managers, supervisors and employees. I expect you to work together—calling upon the Department of Labor for

assistance—to develop improved occupational safety and health programs for your employees.

I urge you to study your operations thoroughly to find more and better ways by which you can reduce the injuries, illnesses, and associated costs in your jurisdictions.

RONALD REAGAN

Policy Statement on an Occupational Safety and Health Program for Federal Employees

December 9, 1982

I am today announcing a program which will improve our efforts to reduce work-related injuries and illnesses in the Federal workforce. In this Administration, great strides have been made by the Department of Labor's Occupational Safety and Health Administration in attempting to provide a safer and healthier workplace in the private sector. We must make equal improvements in our programs for the Federal worker.

In keeping with my dedication to improve the efficiency of government, I am committed to both a reduction in injuries and illnesses and a reduction in accompanying costs. Today, I am making it the responsibility of all Federal managers, supervisors and employees to take an active part in this program to improve the record of the Federal government in the area of occupational safety and health.

In so doing, I have directed the Secretary of Labor, in consultation with the Federal Advisory Council on Occupational Safety and Health, to develop additional strategies to stimulate joint problem-solving activities throughout the government. I am also authorizing a system of Presidential awards to be presented annually to those agencies showing the greatest commitment and results in improving the safety and health conditions for their workers.

The Federal government's most valuable resource is its dedicated and highly skilled workforce. Today, we embark on a program for Federal employees that will bring down injury and illness rates and thereby reduce human suffering.

RONALD REAGAN

Remarks at a Dinner Honoring the Republican Majority in the Senate

December 9, 1982

I think I should tell you that, while you adjourned early enough to be here at this festive gathering tonight, I, while getting dressed, realized by looking at television that the other House was still in session. We may walk out of here tonight to find the city in ruins. [*Laughter*]

I want to thank you. Nancy and I are delighted to be with you, and this marvelous occasion set here in this beautiful hall does bring on some nostalgic memories. This was one of the first formal events that we attended in Washington after the 1980 election. And I remember how happy we were then knowing that the upcoming Senate would have a majority of Republicans. Incidentally, this is the first time that the Republicans have had back-to-back reelection of a majority in the Senate since 1928. So here we are. The Grand Old Party is 54 strong and still the Senate's majority party, and we will remain the majority party.

I would like to take this opportunity to

offer our warmest best wishes to three fine men. They each did an outstanding job in the United States Senate, as Howard has told us—Senators Schmitt and Hayakawa and Brady. Gentlemen, you'll be sorely missed. But just because you'll no longer be on the floor, don't start thinking that you can hang up your shingle and go fishing. You each have much to contribute. And I know I speak for everyone here when I say that I need you and our party needs you and America needs you. We stand ready to tap every bit of talent that you can provide.

Now, I mentioned fishing, and that should remind me of a story. But the funny thing is the story it reminds me of has much more to do with the business we're in today than it does of fishing. It seems that in a small river town there was a young man named Elmer, who was so talented at fishing that he finally aroused the suspicions of the fish and game people because he came in with such a great catch every trip out. And the game warden asked the local sheriff, who was a very close friend of this young man, Elmer, if he would find out what was going on. So, the sheriff one day just casually suggested to Elmer that he join him on the fishing trip.

And they rowed out into the middle of the river together, and, once out there, Elmer took out a stick of dynamite, lighted the fuse, tossed it in the water, and after the explosion, the surface of the water was covered with fish, which he began to pick up. And the sheriff looked at him and said, "Elmer, do you realize that you have just committed a felony?" And Elmer reached in the tackle box, pulled out another stick of dynamite, lighted the fuse, handed it to the sheriff, and said, "Did you come here to talk or fish?" [*Laughter*]

As Howard said, we've got some new faces with us tonight—three men who did much to cheer us on election night—Senators-elect Trible and Hecht and Wilson. And, fellows, you don't know how happy we are to see you. [*Laughter*]

The opposition has been saying terrible things about your political ideas, and yet you'll find that they're friendly and cordial, personally. It's like being confronted by a dog who's showing its teeth and snarling, and its tail is wagging at the same time. You don't know just which end to believe. [*Laughter*] But speaking from my end—[*laughter*]—and I'm talking about my end of Pennsylvania Avenue—I'll need your help. So, Paul and Chic and Pete, I know you'll play important roles.

Our challenges are greater than ever before. In this country, indeed, the whole world is struggling to work to be free of the longest, deepest recession in postwar history. We've taken many of the basic steps, I think, that are necessary to put us back in the right course, steps we couldn't have taken without a majority in this House, the Senate. It's thanks in no small part to the individuals in this room. But let's not kid ourselves; much more remains to be done before we make America well again and before we can rest assured that our country's security needs have been met.

Now, first and foremost, I don't think any of us should forget that the security of America is our highest responsibility. So, just as our economy needs have been neglected during the last decade, so, too, were our defense requirements. And I wonder if you can guess what I'm going to mention right now. [*Laughter*] That's especially true in the area of strategic weapons.

Now, I won't take this opportunity at a social gathering like this to twist your arms—[*laughter*]—much. [*Laughter*] I'll just tell you, now that we can look each other in the eye, the MX system is needed. If we expect the Soviet Union to take our arms control proposal seriously, we must act seriously with the choices that we make.

The defeat of the Peacekeeper—you know, I was awfully tempted, coming from the West, to name that after a famous old gun—the Peacemaker. But then I thought I could just see the next picture that would be presented of me and all the cartoons with a six-shooter in my hand. So, it's the Peacekeeper.

The defeat was wrong, and I think it sent the wrong message.

Here at home we're facing up to serious challenges. During the last 2 years, we've reduced the record rate of interest rates, spending, inflation, and taxes that caused the recession and made it so painful. And tonight, I'm here to suggest that we all

work together and tackle the remaining obstacle—unemployment—but resolve that our party will heed the lessons of history. We dare not try to spend, tax, and borrow our way back to prosperity, because that would push America right back into the swamp where we found ourselves in 1980.

The Republican Party must go forward, not backward. We came to Washington with a confident vision of restoring opportunity and hope to the average citizen. We have creative ideas—enterprise zones, the CBI, the balanced budget amendment, regulatory reform, and criminal justice reform. All of them still await action. The opposition, even after 2 years of complaining and, in some cases, of obstructionism, has yet to offer anything other than what they've been doing for the last few decades and which got us into the mess we're in. The American people will remember who had a positive program and stood firm when the pressure was on.

So, as you know, I just returned from a trip to Latin America, and I found out one thing that did kind of make me serious on the way back. Over and over again there they expressed to me that they look to us for leadership in the world. And I'm convinced that our country can lead the way to lasting worldwide recovery if we remain true to our principles.

The solution for the unemployed autoworkers and the steelworkers is not a giant public works program financed by higher taxes or increased borrowing. America's challenge for the eighties is to invest more, invest wisely, to make workers and products more competitive in the world market, to unleash our pioneer spirit of innovation, and get this nation back on the cutting edge of growth. That's where Washington failed the American people in the past. Compared to other major industrialized countries our rate of net private investment has been pathetically low. We've been eating our seedcorn for more than a year, and unless we break the habit, we won't keep pace with the emerging competitive forces throughout the world.

The new taxing and spending increases that are proposed by the opposition won't stimulate the economy. They won't reduce the deficits, and yet that's all they have to offer.

By working together as we have since our first meeting 2 years ago, by remaining true to our ideals, we can bring America back to health, if we have the camaraderie of spirit.

Victor Hugo once said, "It is through fraternity that liberty is saved." That was never more true than right now and never more applicable than to those of us who are in this room.

Let me add how deeply grateful I am for all your guidance and cooperation over the last difficult year, especially from Howard Baker. Sometimes we don't always agree, but I remain appreciative, because I trust Howard implicitly. And I can assure you—and I think Howard will attest to this—I'm listening, and I'm willing to go that extra mile to make certain we strengthen our partnership.

Now, we can leave a stronger America and a more peaceful world for the children, the Americans of the 21st century. All we need is faith, the courage of our convictions, and the common sense to work together. I have confidence in America's future, because I have confidence in each of you.

And with that, the best get-off line I can think of right now is, God bless you, and thank you for having us with you here tonight.

Note: The President spoke at 10:26 p.m. in the Great Hall of the Library of Congress. He was introduced by Senate Majority Leader Howard H. Baker, Jr.

Executive Order 12396—Defense Officer Personnel Management

December 9, 1982

By the authority vested in me as President of the United States of America by Section 301 of Title 3 of the United States Code, and in order to delegate certain functions concerning the appointment, promotion, and retirement of commissioned officers of the Armed Forces, it is hereby ordered as follows:

Section 1. The Secretary of Defense is designated to perform, without approval, ratification, or other action by the President, the following functions vested in the President:

(a) The authority vested in the President by Sections 618(b)(1) and 628(d)(1) of Title 10 of the United States Code, to approve, modify, or disapprove the report of a selection board.

(b) The authority vested in the President by Section 629(a) of Title 10 of the United States Code, to remove the name of any officer from a promotion list to any grade below commodore or brigadier general.

(c) The authority vested in the President by Section 624(c) of Title 10 of the United States Code, to appoint officers in the grades of first lieutenant and captain in the Army, Air Force, and Marine Corps or in the grades of lieutenant (junior grade) and lieutenant in the Navy.

(d) The authority vested in the President by Section 5721(c) of Title 10 of the United States Code, to make certain temporary appointments to the grade of lieutenant commander.

(e) The authority vested in the President by Section 6323(a) of Title 10 of the United States Code, to approve the application of an officer of the Navy or the Marine Corps for retirement after the completion of more than 20 years of active service and to designate the month in which such retirements shall become effective.

(f) The authority vested in the President by Sections 3918 and 8918 of Title 10 of the United States Code, to approve the request of a regular commissioned officer of the Army or the Air Force to retire after at least 30 years of service.

(g) Nothing in this Section shall be deemed to delegate the authority vested in the President by Section 618(c) of Title 10 to remove a name from a selection board report.

Sec. 2. (a) The Secretary of Defense is designated to perform during a time of war or national emergency the following functions vested in the President, without the approval, ratification, or other action by the President.

(1) The authority vested in the President by Section 526 of Title 10 of the United States Code, to suspend the operation of any provision of Sections 523, 524, or 525 of Title 10 of the United States Code, relating to the authorized strength of commissioned officers.

(2) The authority vested in the President by subsections (a) and (b) of Section 603 of Title 10 of the United States Code, to make or vacate certain temporary commissioned appointments.

(3) The authority vested in the President by Section 644 of Title 10 of the United States Code, to suspend the operation of any law relating to the promotion, involuntary retirement, or separation of commissioned officers of the Army, Navy, Air Force, or Marine Corps.

(b) The authority delegated to the Secretary of Defense by this Section may not be exercised during the time of a national emergency declared by the President, unless the exercise of any such authority is specifically directed by the President in accordance with Section 301 of the National Emergencies Act (50 U.S.C. 1631).

(c) The Secretary of Defense shall ensure that actions taken pursuant to the authority delegated by this Section are accounted for as required by Section 401 of the National Emergencies Act (50 U.S.C. 1641).

Sec. 3. The authority delegated to the Secretary of Defense by this Order may be redelegated to the Deputy Secretary of Defense, any of the Assistant Secretaries of Defense, and to any of the Secretaries of the military departments who may further sub-

delegate such authority to subordinates who are appointed to their office by the President with the advice and consent of the Senate.

Sec. 4. All actions taken by, for, or on behalf of the President with respect to the functions delegated by this Order, which actions would be valid if taken pursuant to this Order, are ratified.

Sec. 5. (a) Executive Order No. 10621, as amended, is further amended by revoking subsections (g), (h), (j), (k), (l), (m), and (n) of Section 1 thereof.

(b) Executive Order No. 11390, as amended, is further amended by revoking subsections 2, 3, 9, 12, and 15 of Section 1 thereof.

(c) Executive Order No. 12239 is revoked.

RONALD REAGAN

The White House,
December 9, 1982.

[*Filed with the Office of the Federal Register, 12:42 p.m., December 10, 1982*]

Note: The text of the Executive order was released by the Office of the Press Secretary on December 10.

Remarks on Signing the Human Rights and Day of Prayer for Poland Proclamations

December 10, 1982

I have before me, as I'm sure you know, two documents that speak to freedom, and especially to Polish freedom. And their contents, particularly at this time—because Monday marks the first anniversary of the repression of Polish freedom by the military government there. And this repression, carried out under intense Soviet pressure and using tactics of brute force and intimidation, has sparked anger and sadness throughout the world.

No people were more saddened and more angered than those who share with the Polish people close and enduring ties of blood, tradition, and affection—the people of the United States of America. Before the tragic crackdown by the military authorities, the American people watched with approval and growing excitement the democratic gains that were won by Solidarity. We observed with awe and admiration the courage of political [Polish] workers as they sought to reclaim the right to self-government and their nation's ancient heritage of liberty. All this they did peacefully, without shedding one drop of blood.

These days of light and hope are over, and the cold night of repression has descended on Poland. But despite the threats, the provocations, and the imprisonments, the spirit of independence and resistance to tyranny, a spirit that's characterized the Polish people for more than a thousand years, still burns brightly in Poland today. It is the fervent hope of the American people that that spirit will again, someday soon, enjoy full expression. It is the fervent hope of the American people that the Warsaw authorities will realize—and sooner, rather than later—that continued repression can only prolong the political alienation and economic stagnation that characterizes Poland today.

In recent months we've seen partial steps taken toward this recognition by the Warsaw authorities—Lech Walesa and a number of other internees released. We welcomed the release of these people, and of course, we hope that the Polish Government will take other actions necessary to genuinely transform the existing climate of repression in their country.

In introducing sanctions against Poland last December I noted that those sanctions were reversible, and this remains the case. But I cannot and will not remove the sanctions until the Polish Government shows with its actions that it intends to live up to the obligations it assumed when it signed the U.N. Universal Declaration of Human Rights and the Helsinki Final Act.

Reports reach us that further steps in this

direction may be taken by the Polish Government in the coming weeks and months. I will stress today the United States is prepared to respond to genuine liberalizing actions by the Polish Government. Any such actions will be the subject of careful discussions with our allies. And I repeat, if the Polish Government introduces meaningful liberalizing measures, we will take equally significant and concrete actions of our own. However, it will require the end of martial law, the release of political prisoners, and the beginning of dialog with truly representative forces of the Polish nation, such as the church and the freely formed trade unions, to make it possible for us to lift all the sanctions.

The United States can only respond to deeds, however, and not to words. We're not interested in token or meaningless acts that do nothing to fundamentally change the situation in Poland today—or to replace one form of repression with another.

As I've often said, the United States Government and its people are deeply concerned about the plight of the Polish people. We will continue to supply humanitarian aid to them through such voluntary and private relief agencies as the Catholic Relief Services and CARE. Furthermore, as I stated last December 23d, if the Polish Government will honor the commitments it has made to human rights, we in America will gladly do our share to help the shattered Polish economy, just as we helped the countries of Europe after both World Wars.

As a further sign of affection and solidarity felt by the American people toward the Polish people, I am signing today these two proclamations. The first is a Bill of Rights, Human Rights Day proclamation that takes particular note of the current tragedy of Polish freedom and reminds Americans and millions of people all over the world the fate of freedom in Poland affects the fate of freedom everywhere. Through the proclamation, we remember today the Polish people, the millions of others who struggle against the brute force of despotism, and all those who seek freedom and self-rule.

Our nation was conceived in liberty, and we have always understood that the fate of our own freedom is tied to the fate of freedom in the world. The flourishing of liberty, democracy, and constitutional government is the goal of this administration as it is the greatest wish of Americans and that Americans have for all peoples of the world. We pray that we'll all come to enjoy what we consider our greatest treasure—freedom.

Second, I'm signing a proclamation asking Americans to join together Sunday in solidarity with the Polish people and to pray for ultimate success in their quest for freedom.

Lech Walesa long ago spoke of the wheat that grows on the stones, of how freedom sometimes grows from repression, how repression only serves to strengthen the determination of those who live in the darkness of tyranny to someday be free, and the ideals and heroism exemplified by the Polish people and the members of Solidarity. The world has seen splendid affirmation of the desire for human freedom that springs from deep religious faith.

On Sunday, let us pray with confidence—confidence that wheat will someday grow on the stones in Poland and the other suffering lands under the brutal repression of today will be remembered only as a prelude to times of freedom and peace and independence. This Sunday let us remember the cause of freedom, and let us, with the Polish people and all oppressed peoples everywhere, remind ourselves of the words of Isaiah, "They that wait upon the Lord shall renew their strength. They shall mount up with wings as eagles. They shall run and not be weary."

And I shall now sign these proclamations.

[*The President signed the proclamations.*]

And I understand that someone is placing a cross of flowers on Kosciusko's monument in commemoration of the first anniversary of martial law. And I know that—[*inaudible*].

[*At this point, the President presented 11-year-old Basia Piasecki with flowers to place at the monument. Members of the audience then sang the Polish song "May You Live 100 Years."*]

I have said this before—you know, I didn't realize until just a few years ago, but when I did realize it, I was filled with

mixed emotions and a feeling of challenge that we have to meet—that our own national anthem is the only one I know that ends with a question, "Does that banner still wave o'er the land of the free and the home of the brave?" We must always be able to answer that question affirmatively.

Note: The President spoke at 9:40 a.m. in the East Room at the White House. Attending the ceremony were Polish Americans and Members of Congress.

Proclamation 5003—Bill of Rights Day, Human Rights Day and Week, 1982

December 10, 1982

By the President of the United States of America

A Proclamation

On December 15, 1791, our Founding Fathers celebrated the ratification of the first ten Amendments to the Constitution of the United States—a Bill of Rights which from that moment forward helped shape a nation unique in the annals of history. The Bill of Rights became the formal and legal expression of our liberties and of the principles embodied in the Declaration of Independence.

The Founding Fathers derived their principles of limited government from a belief in natural law, that is, the concept that our Creator had ordained a framework for society giving great importance to individual freedom, expression, and responsibility. They held that each person had certain natural rights bestowed on him by God. As Jefferson put it, "the God who gave us life gave us liberty."

It is with glad hearts and thankful minds that on Bill of Rights Day we recognize and honor this great gift of liberty bequeathed to posterity by the Founding Fathers.

One hundred and fifty-seven years later, on December 10, 1948, the United Nations adopted the Universal Declaration of Human Rights. By jointly celebrating this anniversary with Bill of Rights Day, we acknowledge the necessary link between human rights and constitutional democracy. As stated in the Universal Declaration, we must staunchly pursue our conviction that freedom is not the sole prerogative of the fortunate few, but the inalienable and universal right of all human beings. Throughout history and from all parts of the globe, man's instinctive desire for freedom and true self-determination have surfaced again and again. Democracy has provided the best and most enduring expression of man's search for individual rights.

We can point to many nations in the world where there is real progress toward the development of democratic institutions. The people of some of those countries have fully demonstrated their commitment to democratic principles by participating in elections under difficult and even life-threatening circumstances. Such displays of courage can only inspire confidence in the future of democracy for all people.

But in December of 1982 our satisfaction in the progress toward human rights is darkened by our realization that one year ago, on December 13, 1981, the Polish military government took steps to extinguish the flames of liberty ignited by Solidarity. As that totalitarian regime moved to crush Solidarity, it laid siege to the dreams and aspirations of a whole people reaching out for freedom, independence, and essential human dignity. The tragedy of the iron suppression of the Polish people transcends the borders of that land and reaches into the hearts of all of us who care for the rights and well-being of people everywhere.

On these important anniversaries let us remember the great and abiding love of freedom that dwells perpetually within the heart of mankind. And let us also hope and pray that the blessings of liberty will one day be shared by all people.

Now, Therefore, I, Ronald Reagan, Presi-

dent of the United States of America, do hereby proclaim December 10, 1982, as Human Rights Day and December 15, 1982, as Bill of Rights Day, and call on all Americans to observe the week beginning December 10, 1982, as Human Rights Week.

In Witness Whereof, I hereunto set my hand this 10th day of December, in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 12:43 p.m., December 10, 1982*]

Proclamation 5004—A Day of Prayer for Poland and Solidarity With the Polish People

December 10, 1982

By the President of the United States of America

A Proclamation

December 13 will mark one year since the Polish military authorities, under intense Soviet pressure, put an end to Poland's experiment in peaceful change. During this year, the military authorities, employing force, have intimidated and ultimately dissolved the free trade unions with which the Polish Government had signed solemn accords but a short time before. Thus, a genuine labor movement was suppressed by a government of generals who claim to represent the working class. Their victory, such as it is, can only be a seeming one. The brave people of Poland have learned during a century and a half of foreign occupation to maintain their national spirit and to resist succumbing to coercion. We are not deceived for an instant that the silence which has now descended on expressions of free opinion in Poland reflects in any way the actual state of mind of the Polish people. The censored press and media do not speak on their behalf. Solidarity may be technically outlawed but its ideals of free trade unionism and nonviolent change will never be destroyed.

This weekend offers Americans a special opportunity to honor the Polish people and to demonstrate our support for their struggle for the right to determine their destiny without interference by dictatorships, supported and incited from the outside.

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate December 12, 1982, as A Day of Prayer for Poland and Solidarity With the Polish People.

I invite the people of the United States to observe this day by offering prayers for the people of Poland and by participating in appropriate ceremonies and activities to demonstrate our continuing support for their aspirations for greater freedom.

In Witness Whereof, I have hereunto set my hand this 10th day of December, in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 12:44 p.m., December 10, 1982*]

Remarks and a Question-and-Answer Session With Reporters on Production of the MX Missile

December 10, 1982

The President. I have a statement here first. I just wanted to say a word about the importance of the defense issue in the closing days of this congressional session.

It's vital that we in government demonstrate to friends and potential foes alike that the United States is determined to remain a credible force for peace in the world. There are several critical decisions now facing the Senate, including their votes on the B-1 and a second carrier. But none is more critical than their vote on the production of the Peacekeeper missile.

Frankly I was disturbed by the debate in the House earlier this week because of the confusion over what the vote meant. The key vote in the House and now in the Senate is over money for production of the missile, not for the basing mode. And I believe it's absolutely essential to a strong, secure defense that we vote now on funds for that missile. Then next year, as we have more time, I'd welcome a vigorous debate on the best way to base the missile.

I agree that more time is needed before we achieve a consensus in Congress on the basing mode, but the need for the missile itself has long been apparent. Both Presidents Ford and Carter before me have vigorously argued that the country needs this new system. Later today I am meeting with our arms negotiator, Ed Rowney, and I'm sure that his message will be the same as in the past—a vote against MX production today is a vote against arms control tomorrow.

I also think it's fair to mention a couple of headlines that I came across earlier this week after the House voted. One said, "Soviets Voice Satisfaction on MX Rejection." The other read, "Soviets Cheer House for Rejecting MX Missile Appropriation." Well, if the Soviets are so pleased, perhaps we should be a little more concerned.

I can tell you that I'm vitally concerned about this matter, and I urge the Senate to stand together and assure adequate funds for the Peacekeeper.

And now I just have a faint suspicion that you may have a few questions.

Q. Are you ready to go back to the drawingboard on the dense pack? And you do sound like you are maybe willing to compromise on the whole question.

The President. Well, in the selection of a basing mode there was long study, and there was long consideration of any number of proposals. Now, any proposal for basing faces a time in which the other side is going to create a vulnerability of this system. This one did finally come down as probably offering the best opportunity. But from the very first, and in all my conversations with the Congress and the debate up there, I said that there's a time element involved here in which, yes, if there is more debate needed and if the Congress wants to debate and discuss and see if there are possible other options that could conceivably be improvements over this, we're willing for that.

All this bill entailed is money to start production of the missile. And yet, unfairly, the opponents—or the proponents of that amendment in the House made the entire debate not on whether we need the missile, but on the basing mode. And this was unfair, and it was lacking a little in honesty to do that. And I think that the message that came out was that they were opposed to the basing mode.

Q. Mr. President, aren't you wavering then on the dense pack? How willing are you to listen to a vigorous debate?

The President. Why is it wavering when you've spent months trying to find—and gone over months—there have been basing modes suggested before we even came here, and there was great debate over those and my own opposition to one that had been proposed. But when you've spent that much time—and the Congress, on the other hand, has not been engaged in the debate on that—I made it plain from the first that we were asking for money to start production of the missile and that I would welcome further discussion and debate on the

basing mode. That's not as if we made—we made a decision in answer to a demand by the Congress. They demanded that we make a recommendation of a basing mode, so we chose the best one of all those that had been proposed.

Q. Are you concerned that dense pack is going to be defeated in the Senate the way it did in the House? Is that why you're trying to deemphasize dense pack?

The President. I tried to deemphasize it in the House.

Q. Sir, are you apprehensive that up on Capitol Hill the MX might become not just a symbol of defense, but a symbol of the deficit—you've got to cut somewhere, this might be it.

The President. Well, as I said all during the campaign and continue to say, the first responsibility of the Federal Government is the security and the freedom of the people of this country. And if it comes down to a choice, in a deficit period of this kind of—deficit or national defense, national security, I have to come down on the side of national security, and the Congress should also.

And the drumbeat, constant drumbeat, with which I'm sure many of you are familiar, about supposedly excessive defense spending at this time ignore the fact that the percentage of the budget that is devoted to defense—even in this attempt to rectify the errors of years past—is a smaller percentage than has been customary in times past for defense spending. It normally has been about a half of the budget. It is down to about a fourth of the budget.

Q. Mr. President, there's such confusion about——

The President. Wait a minute. There's a hand back here.

Q. Mr. President, assuming the Senate does go with the production funds, do you have any reason to believe the House conferees will reverse their own body's action in the conference? Will they go along with it in a conference report?

The President. Well, there's always that opportunity. You have a second go at it.

Q. Mr. President, there's such confusion about dense pack. Can you explain why it's the best system and how it would work?

The President. Well, it was the best system in that there is scientific evidence—and from pretty reputable people—given that it presented an obstacle to an enemy attempting to zero in with nuclear weapons to destroy our missiles, that what was called fratricide—that they would have to come in at such proximity that the first explosion would render the incoming ones harmless, and, thus, where you might lose one or two missiles, you would have the others then to reply. And there's a great deal of confidence and a great many scientists—that this is true.

But it also lends itself down the line a ways. It lends itself to future defense without violating the ABM treaty—and that has been a dishonest statement that it violates that treaty. It also lends itself to further deception, the possibility of additional silos and leaving some question to an enemy as to which ones had missiles in them.

Q. Mr. President, are you saying that you're backing the MX but you are not specifically backing the dense pack—main basing system. That's flexible?

The President. I'm saying in answer to the demand of the Congress that we come forth with a basing mode, we came up with the best one in all the discussion and all the alternatives that have been presented and met their deadline for presenting such a system. At the same time, I said in submitting this that the Congress has not had time to debate that particular basing mode. And there is time available and that they can go forward with the missile. At the same time, we're perfectly willing to sit down with them and debate and discuss and see if there are other alternatives.

Q. But, Mr. President——

Q. Was there undue pressure on you——

The President. What?

Q. Was there undue pressure upon you to make a decision by this deadline?

The President. This is what had been—the deal that had been made with the Congress. This is what they asked for, and I met the deadline.

Q. But, Mr. President, if Congress overwhelmingly rejected this——

Q. Mr. President, if——

The President. Wait a minute.

Q. If this, you know, dense pack set-up is

so good in your estimation, why did the Joint Chiefs vote 3 to 2 against it, and why did you move against their decision on this? I mean, these are supposedly the military experts of the country.

The President. Because, except for one, the others favored the one thing that we had first proposed to Congress and that Congress refused to accept, which was placing the missiles as they came off the assembly line in Minuteman silos. And Congress refused that absolutely.

Well, it wasn't a bad idea, as is evidenced by the fact that two of the three Chiefs of Staff—that was the thing that they advocated. But they did all agree that, since we couldn't use that system, that they would support whatever decision I made.

Q. But, Mr. President, Congress overwhelming rejection of a missile that you're saying is so essential, does it concern you now that you have perhaps lost your ability to have your way with Congress—to work your will with Congress?

The President. Well, I never went to bed every night with great confidence that I could work my will with Congress. They're a stubborn bunch, and you ride 'em the best you can. The—no—the—[*laughter*]——

I would like to call to your attention that from the very first, I have never gotten all that I asked for. I didn't get the tax program that I asked for. And I think that had I gotten it, we might find less of a recession today. I never got all the cuts that I asked for in spending, but I accepted what I could get and said we'll come back again and try again for more the next time around.

Q. But, are you fearful that you're now going to start to get an awful lot less?

The President. You know me. I'm an eternal optimist.

Q. Mr. President, sir, you mentioned earlier that the MX vote was good news in the Kremlin. Do you accept the House Intelligence Committee report that proponents of the nuclear freeze are not being manipulated by Soviet agents?

The President. There have been several rather well-documented articles that have appeared in print with regard to, let us say then, participation in the peace move by the Soviets. We know that the originator—the originating organization of that was the World Peace Council, which is a Soviet organization supported by and maintained by them.

I can tell you that I have made inquiry on some of the articles that have appeared and asked for an analysis of whether they were factual or not, and the reports that I have received back, though, is that with here and there, an exception for journalistic exaggeration, they did check out.

I say again that the millions of people who are supportive of that movement, I'm sure, are sincere and well-intentioned and from that standpoint that we share the same goals. I think that a freeze would be just fine if we can get down first to equality between the two countries. But in this country today, we have less megatonnage, less force in our ballistic missile system, land-based system, than we had 20 years ago. And the Soviets, in the meantime, are now producing their fifth generation of missiles. They have improved in accuracy. They have improved in MIRV'ing. They've improved in the megatonnage. And all I'm saying is that one must look to see whether, well-intentioned though it may be, this movement might be carrying water that they're not aware of for another purpose.

Incidentally, the first man who proposed the nuclear freeze was in February 21st, 1981, in Moscow—Leonid Brezhnev.

Q. Thank you, Mr. President.

Q. What is that "No More Mr. Nice Guy" on your desk?

The President. What?

Q. Is that quote meant for Tip?

The President. That was a gift. You know, they just—some people just think that I've got to stop being so nice to all of you.

Q. Can you show it to the cameras?

The President. What?

Q. Can you hold it up for——

Q. How about Congress?

The President. No, it was a gift.

Q. Are you going to be nice to them?

The President. Of course.

I find that it helps a little with some of the memos that I scratch out. [*Laughter*]

Q. Do you think you're going to lose on the Senate——

Deputy Press Secretary Speakes. There aren't any more questions now.

The President. Helen Thomas it. [Helen Thomas, United Press International].

Q. You don't sound as optimistic.

The President. No, let me be perfectly honest with it. I have no doubt this is—we're faced with a tough fight, and we're going to wage that fight. But, no, I couldn't sit here and say, well, you know, this is going to be a breeze.

And, again, I think the difficulty is making them consider the need for the missile and recognize that they can voice their considerations in debate with regard to the basing mode. But every argument that I've heard against it has to do with the basing mode.

I don't recall—I didn't hear all the debate in the House, but I heard very few people saying that the missile—or complaining that the missile was unnecessary.

Q. The expense.

The President. What?

Q. Except for the expense. The cost of the missile.

The President. Oh, well, the greatest way that we're going to save money on defense is getting the Soviet Union to join us in arms reduction. That will be a legitimate savings and greater. And this works against that. This is very obviously a detriment to our negotiators.

Q. Would you comment on the death of Leon Jaworski?

The President. Helen said I can't take any more, and Larry's over here seconding Helen and, you know——

Mr. Speakes. Everybody agreed to 10 minutes. [*Laughter*]

Q. I plead innocent. [*Laughter*]

Q. Thank you.

Q. When are we going to see you again?

Q. Could we see you more often?

The President. Yes.

Q. News conference?

Q. Wednesday? [*Laughter*]

The President. Yes, I had asked——

Q. News conference next week?

The President. What?

Q. News conference maybe?

Q. Wednesday?

The President. Well, that, or I think that more things of this kind in between, so that you don't have so much time to think of ammunition. [*Laughter*]

Q. Thank you.

Note: The President spoke at 11:56 a.m. in the Oval Office at the White House. His remarks were broadcast live over nationwide radio and television.

Nomination of Lewis Arthur Tambs To Be United States Ambassador to Colombia

December 10, 1982

The President today announced his intention to nominate Lewis Arthur Tambs to be Ambassador to Colombia. He would succeed Thomas D. Boyatt.

Mr. Tambs served in the United States Army in 1945–1947 and in 1950–1951. In 1953–1954 he was an assistant plant engineer at Standard Brands, Inc., in San Francisco, Calif. He was in Venezuela as pipeline engineer at Creole Petroleum (1954–1957) and general manager of CACYP-Instalaciones Petroleras (1957–1959). From 1960 to 1961, he was cryogenic small piping designer at AirReduction Corp. in San Francisco. He was teaching and research assistant at the University of California at Berkeley (1961–1964) and instructor, then assistant professor of history at Creighton University in Omaha, Nebr. (1965–1969). In 1969–1982 he was with Arizona State University in Tempe, Ariz., as assistant professor of history (1969–1970), associate professor (1970–1975), and professor (1975–1982). In 1972–1975 he was also director of the Center for Latin American Studies. Since 1982 he has been a consultant to the National Security Council at the White House.

He graduated from the University of California at Berkeley (B.S.I.E., 1953) and the University of California at Santa Barbara

(M.A., 1962; Ph. D., 1967). His foreign languages are Spanish and Portuguese. He is married, has four children, and resides in Washington, D.C. He was born July 7, 1927, in San Diego, Calif.

Nomination of Paul H. Lamboley To Be a Member of the Interstate Commerce Commission

December 10, 1982

The President today announced his intention to nominate Paul H. Lamboley to be a member of the Interstate Commerce Commission for the remainder of the term expiring December 31, 1984. He would succeed Darius W. Gaskins, Jr.

Mr. Lamboley is presently an attorney at law in private practice in Reno, Nev. He was an associate attorney with the firm of Woodburn, Forman, Wedge, Blakey, Folsom & Hug in Reno, Nev., in 1968-1969 and served as law clerk for the Nevada Supreme Court in 1967-1968.

He graduated from the University of Notre Dame (B.S., 1962) and the University of Wisconsin (J.D., 1967). He is married, has two children, and resides in Reno, Nev. He was born July 17, 1940.

Appointment of Three Members of the Acid Precipitation Task Force

December 10, 1982

The President today announced his intention to appoint the following individuals to be members of the Acid Precipitation Task Force:

James R. Mahoney will succeed Richard Sommer. He is currently serving as senior vice president of the Environmental Research and Technology, Inc., in Concord, Mass. He is married, has six children, and resides in Roslindale, Mass. He was born September 19, 1938.

John J. McKetta, Jr., Ph. D., will succeed Gaylord Nelson. He is professor of chemical engineering at the University of Texas in Austin. He is married, has four children, and resides in Austin, Tex. He was born October 17, 1915.

Ralph M. Perhac will succeed Anthony Mazzocchi. He is director of the environmental assessment department of the Electric Power Research Institute in Palo Alto, Calif. He has two children and resides in Menlo Park, Calif. He was born July 29, 1928.

Radio Address to the Nation on Production of the MX Missile

December 11, 1982

A few weeks ago, I talked with you about our quest for peace—for a secure world in which our children and our children's children can grow up without fear, enjoying the blessings of peace and freedom. As President, my first duty is to do everything in my power to achieve these goals.

Two of the keys to preserving the peace are deterrence and arms reduction. One of these keys has worked perfectly for 37 years. Since the end of World War II, we've prevented the outbreak of a new global war by a national policy of deterrence. To do that meant maintaining our defense forces

so that any enemy knew in advance that an attack on us or our allies would bring disaster, not victory, to the attacker. Now, when a potential enemy knows that by starting a war he'll lose more that he hopes to gain, he just won't start a war in the first place. That's what deterrence is all about.

A key feature of this policy has been to maintain strong strategic forces. Our triad, as it's called—our three-legged plan of land-based missiles, sea-based missiles, and manned bombers—makes clear to any aggressor that if he attacks us, we will still have the strength to strike back, the ability to retaliate. That's because no potential attacker has the strength to knock out all three legs of our defense triad at the same time.

If we only had two parts to this force, then preserving the peace would be more difficult. Potential attackers might even come to believe they could launch and win a nuclear war. We must never let this happen. That's why last year I ordered all three legs of our strategic forces to be modernized.

There's no question about the need for modernizing them. Today all three are made up mainly of weapons we developed more than 10 years ago—more than 20 years ago in the case of our bombers. Sooner or later older systems become ineffective and vulnerable. Our most pressing problem today is that the Soviet Union, because of its massive buildup of nuclear weapons, could destroy virtually all of our land-based missiles in a single nuclear attack. If we do nothing to correct that situation, we will have weakened the chances for peace. This is why we need the new MX Peacekeeper missile—to help restore our strategic deterrent and literally to keep the peace.

The Peacekeeper is a modern missile, and it is survivable. I agree with my scientific and military advisers that the closely spaced basing plan we proposed will work. Congress had ordered us to submit a basing proposal for the MX by December 1st, which we did. However, we're prepared to review this matter with the Congress in the new year.

The basing mode is not an issue. There's plenty of time to decide on that. What we need now is a clear, positive vote on the missile itself, to go forward on production of the missile. Why? Because we're negotiating with the Soviet Union at Geneva to reduce substantially nuclear arsenals on both sides—the other key to protecting the peace in the nuclear age. These are tough negotiations, but our team is hanging in there. However, if we just cancel the Peacekeeper, the MX—if we say we won't deploy it—we remove a major incentive for the Soviets to stay at the table and agree to reductions.

Look at it from their perspective. If we're willing to cancel a weapon system without getting something in return, why should they offer to eliminate or reduce weapons that give them an advantage over us?

In 1977 my predecessor sent his Secretary of State to Moscow with a proposal that the Soviets reduce the number of their heavy SS-18 missiles. At the time, we had nothing comparable to the SS-18 and no new missiles to deploy. The result was what you'd expect. The Soviets refused to even consider the proposal. I can't believe the American people want to make that mistake a second time. The stakes are just too high.

Without the Peacekeeper, we weaken our ability to deter war, and we may lose a valuable opportunity to achieve a treaty to reduce nuclear weapons on both sides. With it, we make progress on both paths to peace. On both counts, there's no doubt that we need it.

In the weeks ahead, we'll continue to bring the facts to you, the American people, and your representatives on this vital issue. We've already done it in hearings before the Senate. I only wish the House had given us the opportunity to do the same before it voted last Tuesday to cut funds for the Peacekeeper missile. It's hard to make a good decision before you've heard the facts. And in my opinion, the House of Representatives voted without really considering the facts.

As we present our case for the Peacekeeper missile to you, I hope you'll keep in mind that by continuing to maintain our ability to deter attack, we make it less likely that the horror of nuclear war will ever

occur. And by keeping our defenses credible, we offer the Soviet Union a realistic incentive to reduce tensions and to agree to significant and verifiable arms reductions.

These are vital objectives. But I can't achieve them without the support of the American people and the United States Congress. To protect the peace, we must provide the funds necessary to offset the enormous Soviet military buildup and restore a military balance, particularly in nuclear weapons. And to achieve the arms reductions we want, we must give the Soviets the incentive to negotiate. We must go to the bargaining table in a position of strength, not weakness.

My fellow Americans, with your continued support for a strong defense and for the Peacekeeper missile—but only with your support—we can achieve both of these crucial goals.

Thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from Camp David, Md.

Remarks on Signing the National Drunk and Drugged Driving Awareness Week Proclamation

December 13, 1982

Governor Volpe, Secretaries who are here, if you suddenly see some of those who are among you breaking and running for the Hill, I understand that a vote is coming up. So, I'll say my few words as fast as I can.

For too many years, people have approached the problem of drunken driving as an unavoidable disaster like hurricanes or floods. Well, we've learned that's not the case. We've learned we're not helpless. Action can be taken when the people are concerned enough, and the people are not only concerned now, they're mad. They want the slaughter on the highways to stop. They want those who threaten their public safety to be held accountable for their actions.

Each year approximately 25,000 lives are lost in alcohol-related auto accidents, and I'm delighted to hear that that figure has been considerably reduced now as a result of this Commission's work. An additional 700,000 each year are injured in crashes involving alcohol. Our loved ones are not being killed in drunk driving "accidents"—and I put the word "accidents" in quotation marks—they're dying because some of the Nation's motorists have chosen to turn their vehicles into weapons.

Citizens groups, legislators, judges, police officers, people from all over the country are saying, "That's enough. Get these killers off our roads, and get them off now." Last April I appointed this Presidential Commission on Drunk Driving to explore the problem more fully and to work with State and local governments in developing effective programs.

John Volpe, as Chairman of the Commission, has given us some encouraging information as a part of this interim report, which I look forward to reading. Apparently, a potential drunk driver who knows he stands a good chance of being caught and prosecuted is less likely to drive at all. And for this deterrent to be efficient, however, State and local law enforcement officials must make it clear that they mean business and that the drunk or drug-influenced driver will be the prime target for apprehension and conviction.

And clearly there's no single solution to the drunk driving problem. The Commission has noted several approaches, I know, including a New York State program that is self-supporting, as John was talking about. It pays for its expenses through fines levied on drunken drivers. We're going to give careful consideration to all of the Commission's findings and ideas, and we're going to look hard at what the Federal Government can do to help State and local governments combat drunk driving.

Fastening the seat belt is the best thing

that the individual can do to lessen the threat. But as we launch Drunk and Drugged Driving Awareness Week, we do so with increasing momentum. There's much to be done. But the American people are beginning to see progress. Laws are changing, and traffic deaths are declining in those States that already have strong drunk driving programs.

In Maine the highway death rate has dropped to an alltime low, and alcohol-related highway crashes have been reduced 42 percent since stronger laws went into effect. In Maryland the highway death rate is at a 19-year low due to strict enforcement and laws against drunk driving.

I'm confident the future will see a sharper drop in traffic deaths as this country takes the strong steps necessary to make our nation's highways safe again.

I also want to express my gratitude for the leadership and the energy many Members of Congress and the others have shown on this issue. And I've asked them to join me here this afternoon. If I knew which way they were going to vote, I'd know whether to talk faster or slower. [*Laughter*]

But let us resolve to make National Drunk and Drugged Driving Awareness Week the beginning of a national campaign that will not end until death by drunk and drugged drivers is brought under control.

So, together, with conscience and commitment, we can reduce the menace of these drivers and protect the lives of our fellow citizens. And now I have one more thing to do, and that is to sign the proclamation.

Note: The President spoke at 1:23 p.m. at the signing ceremony in the Roosevelt Room at the White House.

Proclamation 5005—National Drunk and Drugged Driving Awareness Week

December 13, 1982

By the President of the United States of America

A Proclamation

Nothing is more devastating to a parent than the call from a police officer that a son or daughter has been injured or killed in an auto accident. Nothing is more tragic than to learn that a drunken or drugged driver was at fault.

Each year, more than 25,000 of our citizens, a large number of them young people, are killed as a result of alcohol- or drug-related highway accidents. Seventy times a day—every 23 minutes—a life is taken somewhere on our streets and highways because driving skills and judgment were impaired by alcohol or drugs. Too often, a repeat offender is involved and, too often, society has looked the other way.

Today, thanks to a growing public outcry and the efforts of concerned citizens and safety leaders, the problem of drunken and drugged drivers is gaining national attention. State legislatures are enacting tougher laws and courts are imposing stiffer penalties. The Presidential Commission I appointed last April is reinforcing these efforts and encouraging greater preventive and corrective programs. Congress recently passed legislation setting Federal standards and providing incentive funds to assist in the crusade against the human and economic waste which results from drunken driving.

The holiday season, traditionally a high fatality period, affords us the opportunity to join even more emphatically in a concerted national commitment to reduce the threat of drunken and drugged drivers on our highways.

Collisions involving drunken drivers are the nation's single greatest killer of young people. This holiday season we can give our children a great gift by doing everything we can to keep the drinking driver and the drug-user off our roads. Let us all observe *safety* and celebrate *safely,* and let us re-

member that the safety belt in our car can be our best defense against drunken and drugged drivers.

Now, Therefore, I, Ronald Reagan, President of the United States of America, in accordance with Senate Joint Resolution 241 (Public Law 97–343), do hereby proclaim the week beginning December 12, 1982, as National Drunk and Drugged Driving Awareness Week. I call upon each of you to observe this week with appropriate activities in your homes, offices, schools, and communities. I ask all Americans to join in a national campaign to eliminate drunken and drugged driving and to prevent tragedy from intruding on our joyful holiday season.

In Witness Whereof, I have hereunto set my hand this 13th day of Dec., in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 1:16 p.m., December 14, 1982*]

Appointment of 19 Members of the President's National Security Telecommunications Advisory Committee

December 13, 1982

The President today announced his intention to appoint the following individuals to be members of the President's National Security Telecommunications Advisory Committee. These are all new positions.

Theodore F. Brophy is chairman and chief executive officer of General Telephone and Electronics (GTE) in Stamford, Conn.

Charles L. Brown is chairman of the board of American Telephone and Telegraph (A.T. & T.) in New York, N.Y.

Vincent N. Cook is president of the Federal systems division of the IBM Corp. in Bethesda, Md.

Robert M. Flanagan is chairman of the board and chief executive officer of Western Union Corp. in Upper Saddle River, N.J.

Emanuel Fthenakis is chairman of the American Satellite Co. in Rockville, Md. He is also senior vice president of Fairchild Industries, Inc., in Germantown, Md.

Robert C. Hall is president of Satellite Business Systems in McLean, Va.

Paul H. Henson is chairman of the board and chief executive officer of United Telecommunications, Inc., in Kansas City, Kans.

Henry E. Hockeimer is president of Ford Aerospace & Communications Corp. in Detroit, Mich.

Edward E. Hood, Jr., is vice chairman of the board and executive officer of the General Electric Co. in Fairfield, Conn.

William C. Hittinger is executive vice president of the RCA Corp. in Princeton, N.J.

David H. Lubetzky is president and chief executive officer of TRT Telecommunications Corp. in Washington, D.C.

William G. McGowan is chairman of the board and chief executive officer of MCI Communications in Washington, D.C.

Ruben F. Mettler is chairman of the board and chief executive officer of TRW, Inc., in Cleveland, Ohio.

H. Ross Perot is chairman of the board of Electronic Data Systems in Dallas, Tex.

Dale F. Pilz is president of Southern Pacific Communications Co. in Burlingame, Calif.

Robert M. Pirnie is president of the U.S. Independent Telephone Association in Washington, D.C.

Robert M. Price is president and chief operating officer of Control Data Corp. in Minneapolis, Minn.

Allen E. Puckett is chairman of the board and chief executive officer of Hughes Aircraft Co. in Culver City, Calif.

Donald J. Yockey is president, defense electronic operations, for Rockwell International Corp. in Anaheim, Calif.

Appointment of Seven Members of the National Advisory Council on Indian Education

December 13, 1982

The President today announced his intention to appoint the following individuals to be members of the National Advisory Council on Indian Education:

Robert B. Brewington will serve for a term expiring September 29, 1983. He will succeed Maxine R. Edmo. He is owner of Brewington's Welding Corp. in Pembroke, N.C. He was born January 15, 1932.

Terrance J. Brown will serve for a term expiring September 29, 1984. He will succeed Joy J. Hanley. He is president of Terrance Brown Associates, Inc., in Washington, D.C. He was born September 25, 1947.

Dennis Demmert will serve for a term expiring September 29, 1984. He will succeed Ruby B. Ludwig. He is director of the Alaska native programs at the University of Alaska in Fairbanks. He was born October 18, 1932.

Fred Nicol, Jr., will serve for a term expiring September 29, 1984. He will succeed Wayne A. Newell. He is a self-employed businessman in Lander, Wyo. He was born October 4, 1945.

Thomas E. Sawyer will serve for a term expiring September 29, 1984. He will succeed Robert J. Swan. He is vice president of WICAT Systems, Inc., in Orem, Utah. He was born July 7, 1932.

Michael L. Stepetin will serve for a term expiring September 29, 1984. He will succeed John Caske Rouillard. He is counselor for the Chemawa Indian School Alcoholism Education Center in Salem, Oreg. He was born June 1, 1927.

Eddie L. Tullis will serve for a term expiring September 29, 1985. He will succeed W. Stanley Juneau. He is utility foreman for the Monsanto Corporation in Pensacola, Fla. He was born January 9, 1938.

Appointment of Frederick William Rohlfing as United States Alternate Representative on the South Pacific Commission

December 13, 1982

The President today announced his intention to appoint Frederick William Rohlfing to be an Alternate Representative of the United States of America on the South Pacific Commission for the term of 2 years. He would succeed Vernon A. Mund.

Mr. Rohlfing is a senior partner in the law firm of Rohlfing, Smith & Coates in Honolulu, Hawaii. He was acting attorney general and special counsel for American Samoa in 1978; director of the Amerika Samoa Office, Hawaii, in 1978–1980; and Special Deputy Attorney General in 1979–1980. He was a Hawaii State legislator for 16½ years, serving in the house in 1959–1966 and in the senate in 1966–1975.

He graduated from Yale University (B.A., 1950) and George Washington University Law School (J.D., 1955). He is married, has three children, and resides in Honolulu, Hawaii. He was born November 2, 1928.

Question-and-Answer Session With Reporters on Production of the MX Missile

December 14, 1982

Q. Why are all these people smiling?

The President. What?

Q. Why are all these folks smiling?

The President. Well, we tell little anec-

dotes on the way down here to cheer us up.

Representative Michel. It was the whole nature of the meeting.

The President. No, it's really just that we're overjoyed at the opportunity of meeting with all of you.

Q. Just 10 seconds, sir.

The President. What?

Q. We're going live. We just need 10 more seconds. [*Laughter*] Okay. Go ahead, Mr. President. [*Laughter*] We may be late, but we get there.

The President. Yes, they told me that I could just tell them to go when I was ready. [*Laughter*]

Well, this morning I met with a group of leading Republican and Democratic Senators to discuss the future of the MX Peacekeeper missile. And I'm pleased to report that we've reached a bipartisan agreement that we hope will preserve funding for the missile and enable us to continue the restoration of America's defense capabilities.

In recent days, it's become apparent that many Members of Congress agree with my assessment that production of the Peacekeeper is in the national security interests of the United States. At the same time, however, they want to take a closer look at the question of how to base the missile. The agreement we've reached today is a reasonable balancing of those interests.

All of us who met today pledged that in the next few days we'll work with others in the Senate and with Members of the House to secure full congressional assent to this plan.

In closing, let me reaffirm my very strong view that the United States needs to move forward with an effective land-based missile, one that will not only enhance the prospects for a secure America but will also strengthen the hand of our negotiators at the arms conference and the arms control talks in Geneva.

The world in which we live is uncertain at best. And we must be fully prepared in order to protect our interests and defend the cause of peace.

Q. Does the Peacekeeper get dumped?

Q. Mr. President, does that mean dense pack is dead?

The President. That was the first hand up, right there. What?

Q. Does that mean dense pack is dead? Have you agreed to forgo dense pack to reevaluate basing?

The President. No. And let me straighten something out on that whole thing. First of all, our first proposal was—with the MX—that, because they don't all come out of the oven at the same time—there's a progression as they're made—that the first certain number that came off the line simply be placed in Minuteman missiles [silos] while we continued to work on a basing mode, because there was great disagreement about the original concept of the previous administration of the racetrack idea and 4,000 shelters for 200 missiles. We're building—we're only asking for 100.

Congress decided against the idea of placing any of them in Minuteman missiles [silos]. And so we continued and the Defense Department continued with a study of various methods of basing them. And finally the one that—as I've said before and used the expression—that came up with the least warts was the dense pack system. And Congress had also asked that by December we come up with a recommendation. So, we came with that recommendation.

But I have made it clear to them all the time that the important thing is to let us get started with the production of the missiles, because there's going to be a considerable delay in getting them. And if there had been no opportunity, we simply presented the plan, no opportunity to debate or discuss with the Congress on this decision, and so we said, "We're perfectly willing to sit here, if you'll let us start making the missiles, and discuss with you, negotiate, and see if there's any improvement or better plan." And that's always been our position.

Q. Mr. President, what's the compromise? You haven't told us anything about—where is the compromise, and who was involved?

The President. Well, the compromise is going to involve—would you like to explain what the compromise is, John Tower?

Senator Tower. The compromise is simply this: that the funding for production of the MX missile would be retained in the bill, but would be fenced. And the bringing down of the fence would be contingent on two things. The President is required to re-

submit a certification of his selection of basing modes, along with information on alternative basing modes. Then the Congress would act under expedited procedure, within 45 days of the submission of the certification, to approve the basing mode recommended by the President or any alternative they might select. But it would require affirmative approval of both Houses of Congress, under expedited procedure so it could not be filibustered.

Q. Mr. President, do you have any——

The President. Bill's [Bill Plante, CBS News] hand was up.

Q. Mr. President, let me just ask you this. The Soviets have made it plain that if we build, they'll build more missiles. Can this really lead to any kind of arms control, do you think?

The President. Yes, it can, because participating in our meetings has been General Rowney—is home. They're taking an interlude here in the arms negotiation talks. And he has spoken of the impact that this has had and the seriousness of the negotiations, that the Soviet Union is willing and is negotiating.

And the thing is, this is not in the sense of a bargaining chip that somebody can say, "Well, you're building it just to tear it down." No. We need a modernization. Even if we get the reduction of arms which we're seeking and which there has been some indication that the Soviets are seriously considering, this would not be the missile that would be taken out of circulation.

We need to modernize to catch up with the five generations of missiles that they have been developing while we have stayed static and have not improved in the last 15 years in any of our missiles. We do not match them in accuracy. We do not match them in megatonnage. This is a missile that is comparable to their big missiles, their SS–18's.

Q. Mr. President, is there any promise——

The President. Him, and then you.

Q. Is there any promise in the reported Soviet offer to cut in half their intermediate missiles now aimed at Europe and Asia? Does that give some promise that maybe they're moving?

The President. Well, I think the very fact that they made a proposal to reduce in numbers reveals that they, too, are concerned. And they became concerned when NATO asked and we agreed to provide comparable intermediate-range missiles, of which there are none now in Europe, as a deterrent to their use of the SS–20's. And, so, the very fact that they have volunteered, it isn't adequate. And it would still leave us at a considerable disadvantage.

I'm going to be able to take one more. And I'll take yours, and then I'm going to—I think these gentlemen here are going to very patiently be available for further questions on this.

Q. Is the passage of this funding proposal, Mr. President, expected in the House and the Senate in this lameduck session? I know the Senate, but what about the House and the conference committee? Do you expect to get the whole thing through this time? Is that what the agreement looks at?

The President. You're getting into procedural matters now, having to do with the fact that a bill has passed the House and now before the Senate and there is the need for a continuing resolution and all. And I think that I'm going to walk away and let them handle those questions.

Q. But Tip O'Neill says he won't go for the compromise. So, doesn't that mean you can't win it at all even though you have a Senate agreement?

The President. Well, in my view, Tip's just one vote.

Q. Will you take a question on another subject, Mr. President? What are you going to do if the Social Security Commission doesn't come up with firm recommendations on Friday? And how do you feel about the suggestion made by Senator Dole and others that the White House is just plain scared to touch this issue?

The President. We're not scared to touch the issue. The idea of appointing a commission was supposed to be that the commission would include experts, experts in the field of actuarial statistics and insurance and pension plans, and that since our previous experience had been that all we could succeed in doing was making it a political football and terrorizing the senior citizens—and I don't think that we participated in making

it a football or that, but that seemed to be what was happening—that we decided on this bilateral—or bipartisan commission for them to study what was needed to meet the immediate short-fall and to meet the long-range short-fall.

And I'd like to remind you all that for 30 years almost, long before I was ever in public office, I have been making public addresses on the actuarial imbalance of social security, which by 1964 had reached some $300 billion. And yet a year ago when we tried to make a proposal about this, it was denied by the leadership of the other party in the House—it was denied that there was any such emergency confronting us. And now we've already borrowed a billion dollars to keep the program going.

We need a solution, but we appointed a commission. It doesn't seem to me that this is the place for us to be interfering. We're waiting for the commission to come back and tell us, could they agree on a plan; if so, what; or do they have alternatives? Then we will consider those.

But now I'm going to turn you over to these gentlemen, who can answer your specific questions on the subject of the day.

Note: The exchange began at 11:20 a.m. in the Briefing Room at the White House. Following his remarks, Senate Majority Leader Howard H. Baker, Jr., House Minority Leader Robert H. Michel, and Senator John Tower answered reporters' questions. Their remarks were included in the White House press release.

Nomination of Thomas Edward Cooper To Be an Assistant Secretary of the Air Force

December 15, 1982

The President today announced his intention to nominate Thomas Edward Cooper to be an Assistant Secretary of the Air Force (Research, Development, and Logistics). He would succeed Alton Keel, Jr.

He has been serving as a professional staff member of the House Armed Services Committee since 1976. He was a congressional fellow on the House Armed Services Committee in 1976. Previously he was associate professor of mechanical engineering at the Naval Postgraduate School, Monterey, Calif., in 1970–1975; and consultant to the Lawrence Radiation Laboratory, Livermore, Calif., in 1970.

He graduated from the University of California at Berkeley (B.S., 1966; M.S., 1968; and Ph. D., 1970). He is married, has one child, and resides in Alexandria, Va. He was born May 13, 1943.

Remarks of the President and Prime Minister Francisco Pinto Balsemão of Portugal Following Their Meetings

December 15, 1982

The President. Prime Minister Balsemão and I have first met last June at the NATO summit in Bonn. And this, however, has been our first opportunity to talk at length, and we've had a lot to discuss. Our exchange is exceptionally useful and harmonious. After these discussions it's now even more clear why our two countries have been such hard-and-fast allies for so many years.

The relationship between Portugal and the United States is one of common values, mutual respect, and broad cooperation. In our meeting and the working lunch which followed, we covered a broad range of international topics and found substantial

agreement.

Among other subjects, we discussed our defense cooperation, which goes back many years. We're now in the process of negotiating a new security cooperation agreement to broaden and strengthen our collaboration on our common defense objectives.

Portugal and the United States share a common responsibility for the defense of the West. And our security relationship is important to both countries, as well as to the NATO alliance. The Prime Minister has explained to me the various military modernization needs of his country, and I have reaffirmed the U.S. commitment to help Portugal to meet these goals.

We also discussed the economic assistance which the U.S. has provided to Portugal over the years. This continuing assistance is an important expression of our desire to befriend and help the Portuguese people. We agreed that the current negotiations on the security cooperation agreement should lead to an early and mutually satisfactory conclusion.

We also discussed each country's initiatives in southern Africa and the unique perspective that Portugal brings to these issues, especially in view of its historic ties with Angola and Mozambique. The Prime Minister and his government have been most generous in sharing with us some valuable insights drawn from their extensive experience in the area. We shall continue to consult our Portuguese friends in the future.

Finally, and perhaps above all, as one democratic leader to another, I've expressed to the Prime Minister my personal admiration and that of all Americans for the continued progress of democracy in Portugal. The Portuguese experience has shown how, given a chance, people will choose freedom. That the progress worked so well in Portugal is a tribute to the Portuguese people with their love of freedom, their high ideals, and high civic and political responsibility.

We're delighted with their success, and we certainly are proud to continue calling them friends and very happy to welcome the Prime Minister here today.

The Prime Minister. Thank you very much, Mr. President.

I'm thankful to President Reagan for the invitation he addressed to me to come to Washington, providing a timely opportunity to discuss bilateral relations between Portugal and the United States and to exchange views on international items and matters of mutual interest.

The summary of our talks was brilliantly given by the President, and so this allows me to concentrate only on some of the points which were raised.

First, I would like to fully endorse the President's assessment of our relationship and of the principles on which it is based. It is not by sheer coincidence that a sound friendship between Portugal and the United States has existed for 200 years. And it is still showing a dynamic vitality, as we all know and as this visit demonstrates. We in Portugal look forward to working in close cooperation with the United States and for that effort we count very much on the strong Portuguese American community living and working here in the United States.

Our interests and concern about the evolution of the situation in southern Africa has led us to express our viewpoint that peace and stability in that area can be achieved only through balanced economic development and respect for the security of all countries concerned. I was also very interested in hearing the President's assessment of his recent trip to South America and in exchanging views on this region, which is also of particular interest for Portugal.

I had the opportunity to fully brief the President on the recent political evolution of the situation in Portugal, on our economic situation, also, and on the development of our negotiations to join the European Economic Community. In the present political stability of my country, opens new perspectives for more cooperation and more constructive cooperation with the United States and with the free world.

We also discussed in detail our security cooperation regarding which we have been engaged in extensive negotiations. These talks have now reached an important stage as we have just begun to renegotiate the Azores agreement. Portugal is a reliable partner which wants to fully assume its responsibilities in security terms, expects

within this context a clear understanding from its American alliance.

Thank you.

Note: The President spoke at 1:27 p.m. to reporters assembled at the South Portico of the White House.

Earlier, the President and the Prime Minister met in the Oval Office. They then attended a working luncheon in the Residence.

Remarks on Signing the World Communications Year Proclamation
December 16, 1982

The President. Thank you very much. We're delighted to welcome all of you to the White House, and it's especially nice to have you with us here at Christmastime. I'm sorry that Nancy isn't here, but as you look around, you'll see that she's here with us in spirit. She's been in charge of that department.

You've noticed, I'm sure, that this is the room where we hold the press conferences. I don't mind telling you I'm just as content to be here with your group. [*Laughter*] At least with you there won't be any failure to communicate. [*Laughter*]

Many outstanding leaders from different areas of the communications industry are with us here today. And as you know, our administration has asked the private sector to carry the ball for the United States in world communications for the year 1983. We're very grateful for your leadership and initiative.

I know that Bill Ellinghaus[1] has put together a national council, with representatives from industry, labor, academia, the media, and professional and trade associations, to implement the goals for the United States. The aim of World Communications Year is to stimulate economic and social progress around the world through accelerated expansion of communications and information services, and I think that this represents a tremendous opportunity for U.S. world leadership.

And let's face it, we are the pathbreakers in the most communications-intensive era in history. The world is in a communications revolution, and that revolution is being made right here at home. I think this process grows out of our—or progress, I should say, grows out of our 200-year-old tradition of freedom—freedom like that embodied in our first amendment, which gives every citizen the right to express his or her ideas and to act on them politically. We trust the people. Our Revolution was born to liberate the individual and to create economic and social opportunity. It lives in one simple principle: Government must rest on the consent of the governed. This is still the most inspiring and successful and truly progressive political idea in the world today. It always has and always will make tyrants tremble.

Back in the days before we had satellites and electronic hookups, Thomas Jefferson put it this way: "The basis of our government being the opinion of the people, the very first object should be to keep that right; and were it left to me to decide whether we should have a government without newspapers, or newspapers without a government, I should not hesitate a moment to prefer the latter."

Well now, I couldn't help noticing something about that kind remark that Jefferson made about the press. [*Laughter*] He made it *before* he was President—[*laughter*]—not during his term.

As long as information, though, can flow freely, America can grow and thrive, and democracy itself will be stronger than before. This principle that Jefferson championed is reflected in Article 19 of the 1948 Universal Declaration of Human Rights: Everyone has the right to freedom of opinion and expression. This right includes freedom to hold opinions without interference and to seek, receive, and impart information

[1] *Chairman of A.T. & T.*

and ideas through any media and regardless of frontiers.

As we describe the world in which we live today and the world we're building for tomorrow, we see two trends growing side by side—a universal quest for more and better information, and new opportunities and technologies sprouting up to meet this quest almost faster than we can imagine.

We Americans have an unprecedented opportunity. We can embark on a noble journey to reach our dreams and to serve mankind, and we can do it through communications, creating new growth, jobs, and hope for our people and for the rest of the world. This is our challenge for the eighties.

The development of new technologies such as computers, microchips, satellites, fiber optics has revolutionized our concept of communications over telephone, radio, and television. Each day in the United States our citizens engage in some 400 million telephone calls. That's nearly two for every man, woman, and child. And just from being upstairs when Nancy is there, I can tell you—she's ahead of the game. [*Laughter*]

The world now has over one-half billion telephones, and about 140 nations are connected by communications satellites. The majority of these were built and launched in the United States.

Looking ahead to another private sector initiatives effort, in 1984 the Olympics in Los Angeles will be carried via satellite transmission to some 2 billion people around the globe. There is an international satellite under construction here in the United States that will hopefully be launched by 1986. It will be able to transmit the equivalent of the Encyclopedia Britannica every 3 seconds. Beyond that, we can envision the possibility of building much larger satellites complete with millions of telephone circuits and thousands of television channels.

We've opened the door, but we've only taken our first small steps into the new age of communications. With faith and confidence in each other, with a commitment to invest more and to invest more wisely in our future, we can create a new era of knowledge and opportunity.

The United States must rededicate itself to development of technology through our private enterprise system. We're one of the few nations of the world in which telecommunications is still controlled by private enterprise. And we shall lead the way. We must continue to share the benefits of this technology with the rest of mankind in keeping with the spirit of Article 19 of the Universal Declaration of Human Rights.

So, I thank you very much for your strong personal efforts to help us build our future—a better future of progress, excitement, and hope. And now, I'm pleased to sign this proclamation for World Communications Year 1983.

It is the 16th, isn't it? [*Laughter*]

[*At this point, the President signed the proclamation and then resumed speaking.*]

Just in case you haven't heard, let me add a little to telecommunications right now. Lech Walesa has been released within the last 2 hours.

Mr. Ellinghaus. Mr. President, as the chair of the United States Council for World Communications in 1983, I want you to know that I'm deeply honored by your support and appreciative of your action today in issuing this proclamation. And on behalf of all the members of the Council that are here, we thank you for launching what we believe will be a very exciting and significant effort in the year to come.

And at this time, I would like to ask Mr. Amory Houghton, the chairman of Corning Glass Works, to come up and join us. Mr. Houghton has what I believe is a most fitting memento for this occasion, and he would like to present it to you, sir.

Mr. Houghton. Mr. President, I have two Christmas tree ornaments here—one for you and one for the Vice President. And you may ask why I take your time to give you a Christmas tree ornament?—[*laughter*]—and the reason being is that it symbolizes a very important part of land-based communications, and that's part of the industry that I'm with. And it has the glass fiber as the core of it, and the glass fiber is able to do things which nothing has been able to do before.

If you look out this window, sir, and you wanted to transmit light through the glass,

you could only go 3 feet without dissipating 90 percent of it. The ornament represents fiber which will produce a light source which will go 20 miles. And in terms of productivity, you might be interested in knowing that if you take a pair of twisted metal wires, which provide the light and the various energy sources around here, one strand of this glass wire has a 10,000-to-1 productivity increase.

And this is not bad—[*laughter*]—and it's done by private enterprise, and it's done right here in the United States. So, on behalf of Mr. Ellinghaus, who represents probably the greatest laboratory in our history, my fellow associates in the Council, and my fellow glassblowers in Corning, I give these to you, sir.

The President. I shall take this up, and it'll be on our personal tree upstairs. But I also am impressed with you and the people at Corning, and I thank you very much, because isn't this a reproduction of the logo——

Mr. Houghton. Yes, it is, sir.

The President. ——for telecommunications year of 1983? It'll be on the tree upstairs. Thank you very much.

Note: The President spoke at 11:58 a.m. at the signing ceremony in the East Room at the White House.

Proclamation 5006—World Communications Year 1983: Development of Communications Infrastructures

December 16, 1982

By the President of the United States of America

A Proclamation

The United Nations' General Assembly has proclaimed 1983 World Communications Year: Development of Communications Infrastructures. Its purpose is to stimulate accelerated worldwide development of communications infrastructures and to provide an opportunity for all countries to undertake an in-depth review and analysis of their policies on communications development.

Communications systems have taken on an increasingly vital role in every facet of economic, political, and social progress. While there have been remarkable advances in both this technology and its applications—ranging from health care, education, and banking transactions to weather observations and earth resource location—many nations have not been able to benefit appreciably from these capabilities.

Through partnership of United States private businesses, in cooperation with the International Telecommunication Union, we have an opportunity to promote the well-being of people around the globe. I encourage the United States communications industry—with its position of world leadership in this technology—to actively and voluntarily support this effort to stimulate the development of communications infrastructures in all nations.

Now, Therefore, in keeping with the goals of the World Communications Year, *I, Ronald Reagan,* President of the United States of America, do hereby proclaim 1983 as World Communications Year: Development of Communications Infrastructures, in the United States.

In Witness Whereof, I have hereunto set my hand this 16th day of Dec., in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 11:43 a.m., December 17, 1982*]

Statement by Deputy Press Secretary Speakes on United States-Soviet Union Negotiations on Intermediate-Range Nuclear Force Reductions

December 16, 1982

As you know, the U.S. has proposed the total elimination of U.S. and Soviet land-based, longer range INF missiles—the zero-zero solution. As you also know from Soviet public statements, the Soviets have proposed that after 5 years, the U.S.S.R. and NATO reduce to a ceiling of 300 "medium-range" nuclear missiles and aircraft located in or "intended for use in" Europe, to include British and French forces. This long-standing position, which is basically unchanged, would allow them to maintain their monopoly over the U.S. in longer range INF missiles, especially their mobile, triple-warhead SS–20 missiles in Europe and the Asian U.S.S.R. The number of deployed SS–20's currently stands at 333 launchers.

A missile subceiling, as mentioned in recent press accounts, would at most require the reduction of some of these highly mobile systems in or "intended for use in" Europe, while requiring us to cancel entirely our deployments of Pershing II and ground-launched cruise missiles planned to begin in December 1983. This would leave the Soviets with a substantial monopoly over the West in long-range, land-based INF systems, would not constrain the overall levels of Soviet systems, would draw into the bilateral negotiations the nuclear forces of other countries, and is patently inadequate as a solution to the INF issue, since it would not eliminate the political and military threat to the alliance posed by Soviet longer range INF missiles.

We will continue the negotiations on a serious basis. During these negotiations, we and the Soviets have elaborated our positions in both formal and informal contacts. We will continue to study the Soviet position, and it will be among the things we will be discussing when the next round begins on January 27.

We have kept our allies fully informed about negotiations as they have occurred. We and they have reaffirmed in three recent NATO meetings at the Foreign Minister or Defense Minister level that the zero-zero solution remains the best arms control result, since it would eliminate the systems of greatest concern to both sides. The President and his administration are fully convinced of the reasonableness of this carefully developed proposal. Nothing could be fairer to all concerned.

Note: Deputy Press Secretary Larry M. Speakes read the statement at his daily press briefing in the Briefing Room at the White House.

Message to the Congress Reporting a Budget Rescission and Deferrals

December 16, 1982

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report a proposal to rescind $2,000,000 in budget authority previously provided by the Congress. In addition, I am reporting two new deferrals totaling $18,464,000 and a revision to a previously reported deferral, increasing the amount deferred by $4,408,812.

The rescission proposal is for the Department of Commerce's National Oceanic and Atmospheric Administration. The deferrals affect programs in the Departments of Agriculture and Justice and the Pennsylvania Avenue Development Corporation.

The details of the rescission proposal and

deferrals are contained in the attached reports.

RONALD REAGAN

The White House,
December 16, 1982.

Note: The attachments detailing the proposed rescission and deferrals are printed in the Federal Register *of December 22, 1982.*

Appointment of Mary Rose Hughes as United States Representative on the Joint Commission on the Environment
December 16, 1982

The President today announced his intention to appoint Mary Rose Hughes to be a Representative of the United States of America on the Joint Commission on the Environment, established by the Panama Canal Treaty of 1977. She would succeed Robert O. Blake.

Ms. Hughes is currently serving as Deputy Assistant Secretary for Environment, Health and Natural Resources at the Department of State. She was an associate with the firm of Perkins, Coie, Stone, Olsen & Williams in Seattle, Wash., in 1979–1982. Previously she was senior associate with Abington Corp. in Washington, D.C., in 1978–1979; and manager, direct sales and marketing, Boeing Aerospace Corp. in 1977–1978.

She graduated from Columbus School of Law, Catholic University of America (J.D., 1979). She was born November 2, 1950.

Remarks on Lighting the National Community Christmas Tree
December 16, 1982

The President. My fellow Americans, the Christmas and Hanukkah decorations are up around the country, and in a moment we'll be lighting the National Christmas Tree here in the Nation's Capital.

In this holiday season, we celebrate the birthday of one who, for almost 2,000 years, has been a greater influence on humankind than all the rulers, all the scholars, all the armies and all the navies that ever marched or sailed, all put together. He brought to the world the simple message of peace on Earth, good will to all mankind.

Some celebrate the day as marking the birth of a great and good man, a wise teacher and prophet, and they do so sincerely. But for many of us it's also a holy day, the birthday of the Prince of Peace, a day when "God so loved the world" that He sent us His only begotten son to assure forgiveness of our sins.

The Yuletide season is characterized in our country by the giving of gifts, a spirit of charity, and, yes, good will, more so than at any other time of the year. Already traditional programs are underway, drives to collect food and clothing for those who are in need. The U.S. Marine Reserves have a toy collection drive to make sure that old St. Nicholas—Santa Claus—has enough to go around. And this is matched in countless American communities by firemen, policemen, churches, religious groups, and service clubs.

Let me give you one specially moving example of what the Christmas spirit can do. I told this the other night. In Bridgeport, Connecticut, the Police Athletic League for years has maintained a kind of Christmas Center. It consists of a ranch-type house, a manger, and all the other things associated with Christmas. And during the holiday season it's manned by a Santa Claus, elves, and helpers. Thousands

of children visit it every year, and thousands of toys are given out to them.

This year, on Tuesday, December 7th, it was destroyed by fire set by a suspected arsonist. The mayor of Bridgeport called an emergency meeting. He asked for constructionists, carpenters, electricians, all the skills that are needed to help rebuild such a place. The answer to his call was instantaneous. More than 250 volunteers worked in shifts around the clock.

On Sunday, December 12th, 5 days later, at about 1:30 p.m. I phoned the mayor. He was officiating at the reopening of that Christmas Center to the cheers of hundreds and hundreds of the citizens of Bridgeport. It had been rebuilt in only the 4 days between the fire and the opening ceremony.

A recent initiative of Postmaster General William Bolger's will make it easier for all of us to do our part. He has instructed post offices across the country to display lists of the Christmas food, clothing, and toy drives in their local areas, a guide to holiday giving open to all Americans.

This holiday season, as we work our way out of a recession, too many still find themselves without jobs, forced to cut back on things that they once thought of as their normal pattern of living. They aren't statistics; they're people. They're our neighbors, friends, and, yes, family, and they make up that group that right now we call the unemployed. Their number's greater than it has been for some time past. Still, for every unemployed individual there are 9 of us who do have jobs, and with that ratio of 1 out of 10 in mind, I'd like to make a suggestion. How about those of us who are employed making sure that those who aren't will nevertheless have a merry Christmas. This is something that needs doing at the community level—neighbor helping neighbor.

The people we're talking about may be members of your church, brothers and sisters in your local union, or that family across the street or down the block in your neighborhood. Surely between the nine of us, we can find a way to make Christmas merry for that one who temporarily can use our help. But remember, time is growing short, and Christmas is almost here, which brings us back to lighting the National Christmas Tree.

This beloved tradition, which began nearly 50 years ago, has a special symbolism for our people. It's as if when we light this tree, we light something within ourselves as well. And during the Christmas season I think most Americans do feel a greater sense of family, friendship, giving, and joy. And there's a special joy in our children at this time of year. I've heard from many of them recently. I wish Nancy and I could personally thank all you children who've written in, but I want you to know how good your cards, letters, and artwork make us feel.

Now, while Christmas is a time for children, it's also a time to think of those who are less fortunate than we are, and let us also remember the constant vigil of the families of our missing in action. As we light this Christmas tree, may it light hope in the hearts of those who are lonely and needy.

In Ephesians we read that "Each of us has been given his gift, his portion of Christ's bounty." Well, let us share our bounty this Christmas season. Let us offer not only our hearts and prayers but a generous hand to those who need our help. And as we light this tree, let us brighten the lives of those here at home and around the world whose Christmas may not be as glowing and as cheerful as ours.

So, to all of you, God bless you and keep you during this cherished holiday season. And now let's turn on the National Christmas Tree.

[*At this point, the President pressed the button which lighted the tree, located at the annual Christmas Pageant of Peace ceremonies site on the Ellipse, near the White House.*]

And there it is. It's lighted.

Mrs. Reagan. Pretty.

The President. Yes. It's surrounded by 57 trees for each State and Territory.

Well, thank you all, and Merry Christmas.

Mrs. Reagan. Merry Christmas.

Note: The President spoke at 5:45 p.m. in the Rose Garden at the White House.

Remarks on Signing a Statement on Minority Business Enterprise Development

December 17, 1982

Thank you. Must be a power failure; the light's out on the podium here. Well, I'll try to turn over in this light here.

Welcome to the White House, and thank you for being with us to recognize the vital role that minority business plays in this country. Our nation's 600,000 minority enterprises represent nearly 5 percent of the nonagricultural business. They also represent, I think, social mobility and economic advancement to millions of Americans.

Today, in signing this statement, we reaffirm our commitment to a healthy economy in general and to a vibrant and expanding minority business opportunity in particular. We believe that in the last 23 months, we've taken the steps that will bring the economic recovery our people want so badly.

Clearly, a general prosperity with growth, with low inflation, is the greatest single thing that this administration or any administration can provide for minority business and minority Americans. Our economy-building measures, our tax rate cuts, and regulatory reform will spur minority businesses just as they do to the entire business community.

In some cases, our program gives minority business an even greater boost than perhaps is seen at first glance. Our tax rate reductions, for example, should have a major impact on minority business. Since the large proportion of minority businesses are proprietorships and partnerships, they report their income as individuals and thus receive the full benefits of the across-the-board tax rate cuts.

And these same enterprises will continue to be helped, because the tax rates will be increased—or, I mean, will be indexed, not increased. I don't know how that word slipped in—[*laughter*]—that was a Freudian slip—[*laughter*]—be indexed after 1984. And you know what that means, that no longer will the government be making a profit on inflation. Here again, all small businessmen are being helped with a minority enterprise and full participation.

Now, early in this century, Teddy Roosevelt said that it ought to be evident to everyone that business has to prosper before anybody can get any benefit from it. Well, just as the incredible productivity and efficiency of American business catapulted the standard of living of our people as a whole, we believe a thriving minority business community will be instrumental in bettering the lives of those formerly excluded from the prosperity enjoyed by most Americans. In signing this statement, we renew our pledge that as recovery takes hold, we're not leaving anybody behind.

Back in September, I spoke about this with the members of the National Black Republican Council. I know that some of you were there. And I said at that time that the administration would soon announce a program focusing on minority business development, including a commitment to increase the level of general procurement from minority-owned enterprises—the general procurement by the Federal Government. And although it's taken longer than expected, today we're making good on that promise. Among the other items detailed in today's statement is a 10-percent increase of the minority business procurement objectives in 1983 over those of 1982. Over the next 3 fiscal years, our goal will be to purchase some $22 billion directly and indirectly from minority-owned businesses.

Increasing the procurement levels can be accomplished on our own, but we can't forget that enterprise zone legislation—something that promises to do much to encourage growth in the inner cities—is still tied up on the Hill. I know that Secretary Pierce[1] has spoken to you about that and went into detail on this important piece of legislation. But I want to add my feelings that it's about time that we get some action

[1] *Samuel R. Pierce, Jr., Secretary of Housing and Urban Development.*

on this job-building legislation for the disadvantaged, and we'll continue to press for action on this vital legislation.

A great many of the so-called job projects that have been floated around up on the Hill are nothing more than pork-barrel items under the new name and taking advantage of unemployment in order to try and get pork-barrel projects for various, particular segments of the country. And we think that the enterprise zones is a real jobs program in addition to furthering, to a large extent, minority businesses in the inner cities. If there's one lesson that we should have learned over the last two decades, it is that focusing totally on government as a vehicle for social improvement is the least effective method of improving the lives of our people.

We're firmly committed to assuring our fellow citizens in the minority communities an equal opportunity to enjoy the profits of our competitive enterprise system. And given the proper incentives and a general environment for economic progress, American minority businesses can thrive and serve as a mighty engine for social progress.

And now, I'm going to go over and sign that paper, but again, I want to thank you all for being here.

Note: The President spoke at 11:47 a.m. in the East Room at the White House. The signing ceremony was attended by representatives of the small business community.

Statement on Minority Business Enterprise Development
December 17, 1982

This Administration is committed to the goal of greater opportunity for economic progress and independence for all Americans. We began movement toward this goal last year with enactment of major elements of our Economic Recovery Program. By reducing inflation and stimulating economic growth, this program will promote the kind of economic environment essential to the formation and development of business enterprise. In addition, our economic program will result in increased private savings through incentives provided by tax rate reductions and will slow the growth of government spending. Both actions will expand the pool of financial resources from which businesses can obtain capital for development.

But these steps are only a beginning. We must maintain the momentum by keeping the tax rate cuts in place and by retaining the tax indexing scheduled to begin in 1985. This indexing will prevent inflation from forcing individuals, including investors, workers and small business owners, into higher and higher tax brackets.

Our Administration, however, has not stopped there. Today, I am announcing additional steps to promote an economic environment in which minority entrepreneurs can better marshal their talents and skills to achieve better lives for themselves and, in so doing, contribute to a stronger economic base for America.

Our program is based on the following important principles:

- A healthy, growing economy is fundamental to creating the opportunity for the formation and growth of minority-owned businesses.
- Greater economic independence for minority Americans will best be achieved through increased opportunities for private employment and business ownership.
- Creativity, private entrepreneurship, and individual initiative will ultimately determine the success or failure of individual minority businesses.
- Expanded involvement of other private firms is crucial to minority enterprise developmental efforts.

The specific steps, which reflect these principles, along with key elements of our economic recovery program, will provide the basis for a renewed and vigorous minority business effort for the 1980s.

The Minority Business Development Agency of the Department of Commerce and the Small Business Administration will assist directly in the formation of at least 60,000 new minority businesses over the next ten years.

During the same period, this Administration will assist in the expansion of at least 60,000 minority businesses or 10 percent of the approximately 600,000 minority businesses that already operate in America today. We will place particular emphasis on labor intensive businesses and those in industries with high growth potential.

The Federal government will procure an estimated $15 billion in goods and services from minority businesses during the three-year period comprising Fiscal Years 1983, 1984, and 1985, based upon our current overall procurement plans. Actual procurement objectives will be set on an annual basis and will be based upon this Administration's objective of increasing the share of total procurement supplied by minority businesses. This does not include minority business procurement by recipients of Federal grants and cooperative agreements, which could amount to an additional $6 to $7 billion during this three-year period.

We will make available approximately $1.5 billion in credit assistance and $300 million in management and technical assistance to promote minority business development during this same three-year period.

To expand minority enterprise participation in Federal government subcontracts, I am directing department and agency heads to develop and implement incentive techniques that will encourage greater minority business subcontracting by Federal prime contractors.

To continue full minority business participation in procurement resulting from government grants and cooperative agreements, I am directing the major Federal grant-making agencies to encourage their grantees to achieve a reasonable minority business participation in contracts let from their grants and agreements. This will be done in a manner consistent with the Administration's commitment to the principles of federalism.

In order to spur private sector involvement in minority business development, I will ask the business leaders of this country to work with me to encourage private firms to expand their business transactions with minority enterprises.

I am asking the Vice President's Task Force on Regulatory Reform to explore opportunities for reducing regulatory and other barriers to small and minority business expansion, and for promoting meaningful entry into the international trade arena.

In order to ensure the success of these Federal Initiatives, I will be issuing a new Executive Order on Minority Business Development which reaffirms the Federal commitment. It will prescribe specific policies and actions to be taken in these programs and direct the Interagency Council for Minority Business Enterprise to establish uniform guidelines for all Federal minority business efforts. It will also direct the Cabinet Council on Commerce and Trade to submit an annual plan specifying minority-enterprise-development objectives for each agency.

The Minority Business Development Agency has established a national network of Minority Business Development Centers which, in concert with existing SBA Small Business Development Centers, will provide management and technical assistance to minority firms and promote increased participation of private firms and other public sector resources.

I am directing Federal contracting agencies to increase minority business procurement objectives for 1983 by at least 10 percent over actual procurement in 1982. In addition, we are taking measures designed to expand the number of minority firms participating in Federal procurement programs.

And beginning next year, I will designate annually the first full week in October as Minority Enterprise Development Week.

Together, our policies and programs for minority business development should set the stage for the expanded development of minority business. But most important are the steps to be taken by minority entrepreneurs themselves and other private concerns. Recognizing that the realization of the American Dream is ultimately achieved in the private marketplace, we can, through

a greater commitment to public and private cooperation, help minority Americans to achieve fuller participation in the market economy.

RONALD REAGAN

Proclamation 5007—Fiorello H. La Guardia Memorial Day
December 17, 1982

By the President of the United States of America

A Proclamation

December 11, 1982, marked the one hundredth anniversary of the birth of Fiorello H. La Guardia, affectionately known as The Little Flower, who served with great distinction for twelve years in the United States House of Representatives and then for ten years as Mayor of New York City.

With his vast energy, fiery leadership, and considerable wisdom, Mr. La Guardia contributed greatly to the betterment of the United States and New York City, in the finest tradition of public service. He was first elected to Congress in 1916 and served with distinction in that body from 1917 to 1919 and from 1923 to 1933. In 1933, Mr. La Guardia was elected Mayor of New York City, and he guided the City through the difficult days of the Depression and the early years of World War II. To this day, New York City bears strong testament to the vision and determination that marked Mr. La Guardia's administration.

Mr. La Guardia's many accomplishments, and the honesty and fairness which characterized his work, continue to serve as a benchmark against which other careers in public service are judged, and as an inspiration to all Americans, particularly those who share his Italian heritage.

Now, Therefore, I, Ronald Reagan, President of the United States of America, pursuant to a joint resolution of the Congress, do hereby declare December 11, 1982, as "Fiorello H. La Guardia Memorial Day", and I call upon all the people of the United States to observe that day with appropriate ceremonies and activities.

In Witness Whereof, I have hereunto set my hand this 17th day of December, in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 11:08 a.m., December 20, 1982*]

Statement on House of Representatives Approval of the Caribbean Basin Initiative
December 17, 1982

I applaud the Members of the House of Representatives for their overwhelming vote today in support of the Caribbean Basin Initiative. This is a positive, self-help, free enterprise method through which we and our neighbors can assist each other. From our own experience, we know it will work, and I'm pleased the Members of the House share this confidence.

My recent trip to Latin America convinced me more than ever that the difficulties in the Caribbean Basin challenge our future as well. By helping the people of the Caribbean, we will help ourselves. Working together as friends and neighbors, we can be a tremendous power for good.

This program is designed to stimulate growth through trade and tax provisions

that will encourage investment, reward hard work, and create jobs. This initiative will go a long way toward strengthening the economies of our neighbors while preserving our own vital interests.

Once again, I congratulate the House Members for their important vote and urge the Members of the Senate to approve the bill before this session of the Congress ends. Positive action now on this bipartisan initiative will bring new opportunity to our hemisphere, reinforce stability among the democracies of the New World, and demonstrate for all that prosperity, peace, freedom, and democracy go hand in hand.

Statement on Senate Action on Production of the MX Missile and Announcing the Formation of a Bipartisan Commission To Study Basing Options

December 17, 1982

The action taken early this morning by the Senate with regard to the MX missile program is both welcome and wise. It expresses solid understanding and support for the need to modernize the land-based leg of the triad. As the Senate recognizes, it is only through this triad approach that we can hope to preserve an effective deterrent and go forward with negotiations toward real arms reductions.

Beyond that, the Senate was also expressing some rather serious concerns which I take very much to heart. Foremost among these was uncertainty with respect to the approach for basing the missile. This concern is reasonable, since the survivability of this system must be assured and an effective basing plan plays the central role. This extremely complex problem deserves very careful and deliberate consideration, and I am pleased that this will be allowed to take place early in the new Congress.

Between now and the time the final decision must be taken next spring, it is essential that every Member of Congress and, indeed, as many as possible of the American people gain a full appreciation of alternative solutions to this problem. Toward that end I pledge to the Congress and to all Americans the most exhaustive, renewed analysis possible of every apparent option. To assist in this effort, I am today announcing my intention to appoint a bipartisan commission, comprised of senior officials from previous administrations as well as technical experts. I will ask the members to work with the Department of Defense and join together in a bipartisan effort to forge a consensus as to the plan which will best assure the national security interests of our country in the years ahead.

The contributions of this panel of distinguished Americans will be extremely important. In addition, I pledge to the Congress the fullest possible coordination of the work of this commission with Senators and Members. It is essential that if we are to reach our common goals within the time required by last night's vote, the Congress play a central role in shaping this, the most important strategic modernization decision of the postwar period. Again, I would like to express my appreciation for the responsible position taken by the Senate and ask that this wisdom be reflected in the House, as together we join in this important undertaking.

Radio Address to the Nation on Economic Recovery and National Defense

December 18, 1982

My fellow Americans:

For many of us, this holiday season is the most special time of the year—a time when faith, joy, and love lift our spirits and bring new meaning to our lives. It's a time when we can look into the heart of America and know that her heart is good. And this year, especially this year, it's a time when we can look to our future with new hope—1983 will be a better year.

Together, we've launched a great national effort to correct the dangerous, neglected problems that were leading our country toward disaster. The job hasn't been easy; it's been a long, tough haul. And let's not kid ourselves, we have much more to do before we can truly say America is well again.

For too many of us, economic recovery is still a faceless stranger in some cold, distant future, not a warm friend who's come to grace our family hearth. But despite our frustrations, let's not lose sight of the essential: America is on the mend. To move forward again we had to get rid of what was holding us back—runaway spending, double-digit inflation, record interest rates, a tax burden soaring out of sight, and an alarming erosion of our national defense, which jeopardized our security and undermined our leadership abroad. Progress is always slower than we'd like, but there's no doubt we're making headway on each of these deep-rooted problems.

Looking to the future, I see an America that will help to lead the world out of its longest, deepest recession in postwar history; 1983 will witness a higher level of economic activity and lower unemployment. This view is held not only by my economic advisers but by the vast majority of private forecasters across the country, and the forecasts are being borne out by the facts and figures. Momentum for recovery is not weakening but building. Sharp declines in inflation, interest rates, and the first reductions in personal income tax rates have given consumers more money to spend, more incentives to save, and more confidence to do both. Workers' real hourly earnings have registered their first year-to-year improvement since 1978.

One of the most encouraging signs we're seeing is the strong recovery in a bedrock American industry—housing. More homes built will mean new demand for big-ticket items like appliances, whose sales have been lagging. Auto and retail sales are also picking up, and business startups are near a record. All this will stimulate demand for labor, and that means jobs. I think it's encouraging that the help wanted advertising index in October—the most recent month available— rose 4.1 percent after falling for the previous 10 months. Equally encouraging, initial claims for unemployment insurance have begun to trend lower.

Now, let me say a word about another long-ignored problem we've begun to correct—the decline of our nation's defenses. The day I took office, almost 2 years ago, our Armed Forces were in a dismal state of readiness. Shortages of skilled manpower, faulty equipment, lack of spare parts, insufficient fuel and ammunition for proper training—all had left the United States exposed and vulnerable.

Let us always remember we have no higher responsibility than safeguarding the security and freedom of our country.

One of my first priorities was to restore the readiness of our Armed Forces. We've begun to pay our soldiers a decent wage for the risks they take, and that incentive is bearing fruit. Reenlistment is up significantly, and the educational caliber of enlistees is improving, too.

But we're not just giving our men and women in uniform the better pay they deserve, we're also providing them the training and equipment they weren't getting before. We have increased pilot flying time, extended basic training, and restocked spare parts inventories.

By providing adequate compensation for our soldiers, by giving them the tools they

need to do their jobs, we're restoring dignity, honor, and pride to the uniform of the United States of America. And, by strengthening the credibility of our Armed Forces, we increase the probability of reaching a satisfactory arms control agreement with the Soviet Union.

A stronger defense is an investment in peace. It helps ensure that our sons and daughters will not have to pay the price that so many before them had to.

Two years ago, there was growing doubt about America's determination to protect its vital interests and fulfill its obligations as a trustee of freedom, democracy, and peace. Well, I don't think anyone harbors such illusions anymore. With our friends in the Americas, Europe, Africa, and Asia, we're working in a spirit of partnership to stimulate economic progress and to build a more peaceful world.

The United States will redouble its efforts to restore sovereignty to Lebanon and to renew negotiations for an end to turnoil and bloodshed in the Middle East. And we'll strive to strengthen world peace through intensive negotiations with the Soviet Union. I want the Russian people to know the United States is committed to negotiate significant reductions in existing levels of weapons and to foster a more stable relationship between our two nations.

In this season when people all over the world celebrate the birth of Jesus, the one we call the Prince of Peace, let us rededicate ourselves to this sacred mission.

Our country may face enormous challenges, but the great advantage of our democracy is that we do not act from fear or simply respond to threats. We Americans have never been pessimists. We conquer fear with faith, and we overwhelm threats and hardship with courage, work, opportunity, and freedom.

We're a nation built and sustained by hope. And for all of us in America, this is a time for new hope.

Till next week, thanks for listening, and God bless you.

Note: The President spoke at 12:06 p.m. from the Oval Office at the White House.

Remarks in an Interview With Independent Radio Network Correspondents on Domestic and Foreign Policy Issues

December 18, 1982

Moderator. Good afternoon, and welcome to "A Conversation with President Reagan."

This program is a combined radio presentation of Associated Press Radio, Mutual News, National Public Radio, RKO Radio Networks, Sheridan Broadcasting Network, and United Press International.

Mr. President, thank you for allowing us to join you today.

The President. Well, thank you for the pleasure and the opportunity.

Moderator. Participants in today's program are Frank Sesno of Associated Press, Bill Groody of Mutual News, Ted Clark of National Public Radio, Joe Ewalt of RKO Radio Networks, and Bob Ellison of Sheridan Broadcasting Network, and Gene Gibbons of United Press International.

We'll begin our questioning with Frank Sesno of AP Radio.

Continuing Appropriations Resolution

Q. Mr. President, with the lameduck Congress in rather noisy session, our gaze inevitably falls on Capitol Hill. Technically, many Government agencies are out of cash today because there's still no stopgap funding authority. Now, you've threatened to veto the so-called continuing resolution if it contains what you've called "pork barrel jobs bills."

The fact of the matter is the Senate has voted $1.2 billion to that aim, the House [$]5.4 billion. The estimate is you'll get a compromise that contains somewhere in the area of about $2 billion. Isn't that the bottom line that you're going to be able to accept? In light of the trouble you've had

with this lameduck session, are you going to take Senator Hatfield's suggestion and take the $2 billion and run, or are you going to stand and fight?

The President. Well, obviously, I have to wait and see what comes down to me and what's in front of me before I actually say veto or the other way. But I have to tell you this: I cannot sign that bill, I will have to veto, if it contains these various amounts that have been suggested because, in truth, these aren't job-creating bills.

The 5.4 [billion dollars], for example, that was introduced in the House—I think that a great many Congressmen—in fact some of them openly admitted—were calling it a free vote in which they could apparently vote for a job bill, knowing that I would veto it and that they wouldn't have to live with it.

Actually, that 5.4 [billion dollars] is not a job-creating bill. It is a "pork barrel" and filled with all sorts of projects, many of which wouldn't create employment at all, and many of which wouldn't create employment—well, one in particular, wouldn't even be effective until 1985. That's not going to help the unemployed today. But also, many of those would—whatever work they would create would be at a tremendous cost.

For example, in the Bureau of Reclamation project has been included in there—it would cost $49,000 for every job that would be created. In the General Services Administration element that's in there—that would be $25,000 per job. And, as I say, there's another one, a billion-dollar program that wouldn't begin until 1985.

So, I just think the answer to recovery has to be—or to unemployment, I should say, is recovery. And anything that adds to the deficit and delays economic recovery is going to set us back far more than any temporary job.

The military bill—the Pentagon asked for less than half of the amount that they've added in this bill in the House for military residence construction. So, there's half of that that wouldn't even be spent.

Q. Well, now, you seem to have made up your mind already. You say if those figures that I mentioned are the figures that actually reach your desk, you would have to veto. What is there to study then?

The President. Well, the thing is if it contains the things that are originally there; if, on the other hand, they come down with some addition to this that is in another area that you look at and say, "Well, there is a value to this, and while I would prefer that we not increase the budgeting," I would have to look and see, does the value offset the risk of adding this to the deficit?

But when I was talking here, I was talking of the things that we presently know are there. You know, if an orange and an apple went into the conference committee, it might come out a pear.

MX Missile

Q. Mr. President, the continuing resolution will probably also contain the MX proposal, and you've just appointed a commission to look into the basing options for MX. I was wondering, given the complexity of that task, is it realistic to expect them to report by March 1st, or could that date somehow be slipped?

The President. I think it is, because of all the study and research that has gone into this before. This whole thing came about—we asked originally for money to begin the process of building the MX. We don't even have an assembly line for building missiles. That was done away with—the previous administration. And we asked for the right to put them—the first ones off the line—into Minuteman silos, while we continued to study a basing plan. The Congress denied us the right to do this, the ability to do it, and so we continued study. And the dense pack basing mode—and it may still turn out to be the one that has the least warts—there's something wrong with every system. But I was required to come up by December 1st, having selected a basing mode, and this was the best one that we had on hand.

So, there was no opportunity to consult with them or for them to have access to all the study and the research that had gone on. We hope, now, in these few months, that we can present everything. And if some of our scientists come up with a new and improved mode, why we'll take a good look at that one.

Q. Are you willing to accept whatever

the commission comes up with?

The President. Well, it would depend on whether there was other agreement with the commission, too. And by that, I mean the expertise of our own military people who are going to have to use these weapons if they're ever used.

And let me add here, lest there's misunderstanding of that line, the real purpose of those missiles is to never be used. We're trying to create a deterrent that will prevent there ever being a need for them or a war.

U.S. Armed Forces

Q. Mr. President, I'd like to follow up on Bill Groody's question here. You have spoken about a window of vulnerability, and you've said that the United States, in terms of defenses, is inferior to the Soviet Union in many areas. My question is, looking at U.S. defenses overall, would you trade American forces for Soviet forces?

The President. Obviously, the answer would be, as it's been for many military men, no, because of my faith in America and in the young men and women of America who are in our Armed Forces. But I still have to say that to continue as we had been in the previous decade and the last several years, leaving those fine young men and women with tools incapable of doing the job, endangering their lives by lack of training because we were denied the fuel through budgetary restrictions to fly airplanes as often as they should—on any given day, when we came into office here, only half the airplanes in our Air Force could be flown because of lack of spare parts. Only half the ships could leave harbor, for lack not only of spare parts but of a complete crew.

So, what we're trying to do is make sure—and we have made remarkable progress. There is an esprit de corps in our military today and a pride in the uniform that I think would bring a glow to every American's heart if they were as aware of it as I, of necessity, am.

And so the answer would be no, in that one way. But if you asked me is there still a window of vulnerability, do they have a superiority in firepower and so forth, the answer is an unqualified yes. You can't help but look at the NATO line with more than 300 triple warhead missiles, intermediate-range, aimed at the targets of all of Europe, the Middle East, and northern Africa, and we have none in that theater—is a valid comparison.

Submarines

Q. But, Mr. President, we also have submarine missiles in the area which would serve an intermediate missile function.

The President. And they have submarines and submarine missiles. And a part of the threat is not only what's on hand, it is that at the moment their rate of increase in their weapons compared to ours. In the last 15 years, I think, they added some 60 submarines, nuclear submarines, while we were adding none.

Q. Just one last followup question. We are adding the Trident submarine, though, are we not at this point?

The President. Yes. And they're adding one that's bigger and carries more missiles.

MX Missile

Q. Mr. President, what if this commission that you're going to appoint comes back to you and says, "The MX may not be such a good idea after all. Let's have a modification of the Trident or some other variation on the missile." Would you be willing to accept that kind of recommendation?

The President. Well, we'd certainly look at it. It would be difficult for me to think that we could, knowing the length of time that it takes to get something researched, tested fully, and then into operation. Even with this MX and with all of the work that's been done so far, that system won't begin to be installed until 1986, won't be operational.

Q. So for logistical reasons, you would be inclined to stand firm on the MX as a system?

The President. Yes. Let me just say, though, lest you think I have a closed mind, if a miracle happened and someone came along with something that could be implemented better and sooner, obviously, we'd choose that.

Affirmative Action Measures

Q. Mr. President, I'd like to move to a

different area. In Boston, during the period of budget cutting, the First U.S. Circuit Court of Appeals ruled that white police officers and firefighters be laid off rather than blacks and Hispanics with less seniority. This was done to preserve—or to maintain minority percentages. Why did your administration ask the Supreme Court to strike down the lower court's order?

The President. We did it because, number one, in the law itself, it says that hiring or firing cannot be on a basis of race; and secondly, that the Federal courts have no authority to come in with regard to overthrowing seniority.

There is a third reason. I'm old enough to remember when quota systems and so forth were used not to end discrimination but actually to legitimize it. And the precedent that would be set if this policy, which is embodied in the law and all, of seniority in layoffs, is used in this instance admittedly to try to keep a better balance, which we're all in favor of in public employment in that area, but if that precedent is set, that seniority is meaningless and that purpose, someday you could find an administration that wants to turn it around and use it to go back to what we hopefully have gotten rid of in this country, a discrimination against minorities.

Q. Well, there could be or there could have been other options. Let's say, for example, some sort of proportional layoff system, which I understand the U.S. Civil Rights Commission had recommended. But why shouldn't affirmative action supporters view this voluntary entry—your administration's voluntary entry into the case—as an attack on affirmative action?

The President. Well, maybe some of them will, because an image has been created of me, I know, that I do not support these antidiscrimination measures. The record, on the other hand, proves the reverse.

As the Governor of California, I appointed more minority members to executive and policymaking positions in the State government than all the previous Governors in the history of California put together.

Here, we have already—and we haven't been here 2 years yet—we have 130 members of the black community in top executive positions, beginning with Sam Pierce, a very capable member of our Cabinet—assistant Cabinet members, and this includes—and then added to that, we're doing the same thing with regard to women, and we're doing the same thing with regard to Hispanics. The most recent Hispanic employee is one I'm very proud of, Everett Alvarez, who has the record of having been held in captivity the longest as a POW in Vietnam, and he is the Deputy Administrator of the Veterans Administration.

Our record there, but also, if you'll look at the Justice Department and the Equal Employment Opportunity Commission, you will find that we've broken all records in the history of the National Government with regard to hearings on violations of civil rights, on trials, and on successful convictions of violations of those civil rights.

So, I think our record—and incidentally, just yesterday I signed a paper with a group of minority small business people that is going to increase the amount of procurement that the Federal Government buys from minority-owned businesses.

President's Reelection Decision

Q. Mr. President, I'd like to turn from affairs of state to a matter of pure politics. Some of your fellow Republicans would dearly love to run for your job 2 years hence, should you decide to give it up. And the more time they have to get organized, the better off they're likely to be.

Would you tell us now, sir, what your intentions are in '84? Or at least give us a timetable on when you'll be announcing a decision?

The President. Well, I assume that such a decision will have to be made sometime next year. But I think it is too early now and, as I've said, as to whether I've made a decision or not, I've always said I think the people kind of have a way of letting you know which way that decision should go. But to make that decision too early or to make it public too early is to do one of two things. One way you're going to become a lameduck and have no authority to do anything you're trying to do. Or the other way, you're going to open yourself to the opposition charges that everything you do is polit-

ical, based at the next election. And I have over and over again told my staff and told our Cabinet that I don't want to hear the political ramifications of any issue that comes before us. I want to decide it on the basis of what's right or wrong for the people.

Q. I get the impression from afar that the job may have lost some of its appeal—especially for Mrs. Reagan—as a result of the assassination attempt. Is that true?

The President. Well, I know that this was quite a traumatic experience for her. I also know that—you know, the Government with the First Lady gets an employee free; they have her just about as busy as they have me. But no, she's made no decision either. She and I are together on this.

But I have to tell you frankly, I have enjoyed the opportunity of dealing with the problems that are before us. I think we've made great progress in a definite turn in government and turning away from some of the things that have brought on the very economic crisis we're suffering from. And it has its drawbacks, of course. You kind of live like a bird in a gilded cage. And I sometimes look out the window at Pennsylvania Avenue and wonder what it would be like to be able to just walk down the street to the corner drugstore and look at the magazines. I can't do that anymore.

Moderator. Let's pause here briefly to remind you that you are listening to "A Conversation with President Reagan." Our participants today are Frank Sesno of the Associated Press, Bill Groody of Mutual News, Ted Clark of National Public Radio, Joe Ewalt of RKO Radio Networks, Bob Ellison of Sheridan Broadcasting Network, and Gene Gibbons of United Press International.

We continue our questioning with Frank Sesno of AP Radio.

President's Contact With the People

Q. Mr. President, I'd like to pick up, actually, on what you just said about being a bird in a gilded cage. How does a President know, how do you know what is going through people's minds and what is happening, especially vis-a-vis all this—the very high levels of unemployment we have now? You can't walk down to the corner drugstore to buy a magazine; how can you know what it's like to be unemployed?

The President. Well, the bird in a guilded cage referred, I think, to our own use of leisure here in the White House and the security problems that curtail my going anyplace.

But you aren't that separated from the world—first of all, the people that are all around you, the people that are a part of your daily activity right here in government, including those very security forces. But when I go to the ranch, some time out there I'm right back with the neighbors and the people that work there. And it's as if this had never happened. But, of course, you do. And as to an understanding of unemployment, that's another advantage of my age. I was seeking my first job in the very depths of the Great Depression in 1932. I have seen all the tragedy that that brought, including in my own family—my father.

And I don't know any other way to describe this other than that you do go out. Like in campaigning, when you go out, regardless of the security, you are there, again, with the people, not only on the street but in the meetings. And you just aren't separated from them.

The Economy

Q. Let us carry on with the unemployment thing, if I may. On a political level, on a philosophical level, what is the need for government to appear to be doing something? And by this, I'm talking about jobs bills or some sort of lead initiative effort to get people back to work. Economically, of course, your position is well stated. But philosophically and psychologically for the Nation, a sense of going someplace, doing something—activity.

The President. Yes. And you used the word "psychology." There is a great psychology that is a part of a recession—both for good or bad. And I have to tell you that right now, I think the media has overemphasized the bad for whatever reason, but generally in a sense that, psychologically, has not been of help.

The sense of doing something—this has been what was wrong in the several reces-

sions that have taken place since World War II and the artificial quick fixes of government rushing in with supposed job programs and so forth. And every time, it has been a temporary quick fix. And every time there has been, seemingly, an improvement, except that inflation goes up. And each time, at the end of the so-called recession, unemployment remains higher than it was before the previous recession, until we finally reached the point that we are now—the worst of all the recessions.

But the things that the Government has done—we know that it was the high interest rates over a long period of time, and it began back in 1980—reached 21½ percent in the prime. Those high interest rates that started shutting down the automobile plants because people could no longer afford to buy cars and pay the interest on the installments—this then spread to steel and glass and rubber and all the associated industry. At the same time, another base industry that usually is the first one to mark recovery—housing—no one could afford a mortgage at the rates that were being charged.

But we have now brought—first of all, inflation is a basic cause of those high interest rates. We brought inflation down from 12.4 percent to less than 5 percent, now. And following it down, in the last several months, particularly, has come interest rates—down to less than half or about half of what they were. And I think they're going to continue to go lower. And both of these have now resulted in the housing industry being today about 27 percent better than it was a year ago—the housing starts. Sale of new houses is up 45 percent in the last 6 months, and permits for housing are higher than either one of those two figures.

Now, this is going to have to be seen out there. The trouble is, things like that aren't being as visible. Now, we have done some other things. We have asked for and obtained passage of a bill, a training bill. And this training bill is a little different than some we've had in the past. It's going to be implemented at the community level, in keeping with industrial leaders and local political leaders at the community level, to create or to train for the jobs that are going begging in those communities.

Every Sunday in the metropolitan areas, pick up the Sunday paper and look at the number of help wanted ads. Here are employers begging for employees, taking ads out for them at a time of the highest unemployment that we've known since the war. And the reason those employees aren't available is lack of skills and training for those particular jobs.

Highway and Bridge Repair Program

Q. Mr. President, if I could return to events on Capitol Hill for just a few moments. It looks like the Senate will take up the 5-cent-a-gallon gasoline user tax to fund highway construction—probably tomorrow. And I was wondering, once debate gets under way, do you plan to get actively involved to break the filibuster and get that through?

The President. Well, I've been trying to help already, and I would try to help some more because I think it is ridiculous for a minority to stand in the way of this bill which has a great emergency context to it and only, in addition, as a sideline benefit, would create as many jobs as the Democrats claim their $5.4 billion pork barrel would create.

The emergency situation is the number of bridges in this country that are so risky today that schoolbuses stop and make the children walk across the bridge before they take the bus across; highways that are so deteriorated that many of our business firms are adding to the cost of the things you buy, because they have to reroute—at costs of millions of dollars a year—their trucks, to avoid stretches of highway and bad bridges and so forth that would cause them problems.

Attempt to Assassinate the Pope

Q. Mr. President, there are reports that the Bulgarian Secret Service and perhaps even the Soviet KGB were involved in the attempt to assassinate Pope John Paul last year. Do you believe that's possible?

The President. Well, I don't think I should express a personal belief on this now. I do think that since an investigation is going forward on this, I think it's a little delicate for a head of state to give an opinion one way or the other.

Q. You would rule it out? Or you don't rule it out?

The President. No, I just say I'm going to wait and see what the investigation brings.

Social Security

Q. Mr. President, your Social Security Commission seems unwilling to get off the dime and make a recommendation of what should be done to save this system that's on the verge of collapse. Now, you're the one man the country has elected to be a leader, and this is one of the most pressing problems we're facing. What are you going to do?

The President. Well, I'm going to wait to see what they come in with. Those people who have suggested that I should interfere now and put some pressure on the Commission are ignoring the fact that it was after the issue of social security had been made a political football—and not by us, by the leadership in the House—and became such a political football in the last election that I then said the only answer to this is—since they seemed reluctant to deal with the emergency situation in social security—is a bipartisan commission. So the Speaker of the House has appointed members, the Minority Leader of the Senate has appointed members, I have appointed members with the hope that they can come in with a recommendation that recognizes a bipartisan viewpoint, so that we can approach the answer to this in a bipartisan manner and not, again, as a political contest.

For me to stick my nose in and try to tell them what to do—we've had reports from them. We know what they're discussing. And we know that there are some varying views in there. But even if they will come back with, let's say, alternatives, a couple of alternatives, so that at least you can then sit down and say, "All right, let's find a meeting ground between these two alternatives," but to keep it out of politics.

And again, at the same time, let me take advantage of you and say to the senior citizens listening in, no one is trying to take their benefits away from them or cut them back. That was one of the "musts" that I gave to my appointees. I said the people presently dependent on social security must know they're going to continue to get their checks.

Q. Well, their deadline is running out. Are you convinced they're going to come back to you with a recommendation?

The President. I'm hopeful that they are. I know where they stand, because, as I say, I've had reports. I know where their differences lie, and they're not all that great. They really aren't.

Southern Africa

Q. Mr. President, South Africa—how long will you pursue your policy of constructive engagement to bring about independence for Namibia, particularly in view of last week's raid into Lesotho.

The President. Well, we let them know our unhappiness about that. But we have made progress. And we've made progress with both factions there, and with the other frontline states in Africa. And we are going to continue and do our best to settle that peacefully.

The Middle East

Q. Mr. President, you have King Hussein of Jordan coming in here next week. He's been described as the linchpin in your Middle East peace initiative, because of your proposal for the Palestinian entity. What do you think are the prospects of bringing him on board the Camp David process at this point?

The President. King Hussein is not only a very intelligent and responsible leader, but I think that he is very sensitive to all of the problems that are involved and very sincerely desirous of peace in the Middle East and a resolution of this problem. And I think that he will be cooperative. And I think we can count on him for that. But the main thing right now that we have Ambassadors Habib and Draper working on in the Middle East is to get what now constitute armies of occupation—the PLO, the Syrians, and the Israelis—out of Lebanon, and let the Gemayel government have the sovereignty of their own country.

I call them armies of occupation, because there was a time in which Lebanon, with all of its troubles and its divisions, did have to welcome them in in an effort to create order. But now that government has had

enough confidence to ask them to leave. For them to continue to stay against the will of Lebanon makes them, technically, armies of occupation. And we're working on that. That is the first step. And then we move to the peace process, involving the Palestinian problem, Israel, and guaranteeing the security of Israel's borders.

Q. There's a report today, sir, that you have told President Gemayel of Lebanon that the U.S. will guarantee the withdrawal of all foreign forces by the end of February. Any truth to that?

The President. No, there is none. We've set no date, no timetable. But I will say this: Ambassador Habib will be reporting to me Monday. But when I sent him on this most recent trip over there, I told him that no longer are we talking about a peace plan. We're now talking about action, a plan for action. Let's get it done, and let's get the forces withdrawn so that we can proceed with the other steps.

Q. I see we've run out of time, Mr. President. Thank you, and Merry Christmas.

The President. Thank all of you, and Merry Christmas to you and to all listening in.

Moderator. You have been listening to "A Conversation with President Reagan." We would like to thank President Reagan for allowing us this half hour of his valuable time and thanks, too, to our participants today: Frank Sesno of the Associated Press, Bill Groody of Mutual News, Ted Clark of National Public Radio, Joe Ewalt of RKO Radio Networks, Bob Ellison of Sheridan Broadcasting Network, and Gene Gibbons of United Press International.

From the Roosevelt Room of the White House in Washington, good afternoon.

Note: The interview began at 12:15 p.m. in the Roosevelt Room at the White House. It was broadcast live on the participating radio networks.

Memorandum Concerning the Establishment of the President's Council for International Youth Exchange

December 20, 1982

Memorandum for the Director of the United States Information Agency

On May 24, 1982, I announced the establishment of a program to form new bonds between the United States and other countries through an expansion of youth programs. This program is to involve close cooperation between the Government, nonprofit organizations, and the private sector.

To achieve these goals I request that you form the President's Council for International Youth Exchange and that you serve as my personal representative in this effort. Periodically, I will recommend the names of persons for you to appoint as members of the Council. These members will assist you to stimulate greater private sector involvement in the Youth Exchange Initiative.

The members of the Council will be expected to offer advice to both of us on the various aspects of successfully launching and implementing the program. In addition to this mandate, the members will help you to encourage private participation in the program through the variety of means available to your agency. For example, I expect them to promote the program through personal contacts and by conducting a publicity campaign. Also, their assistance with fund raising for the Initiative is critical.

Because of the importance I place on this program, I request that you exercise your authority to ensure that the members of the Council can adequately assist us in this important endeavor. With USIA providing staff support for the Council, and with the Council members expanding your Agency's capabilities to reach the private sector, I look forward to the beginning of an exciting and successful program.

RONALD REAGAN

Remarks of the President and King Hussein I of Jordan Following Their Meetings

December 21, 1982

The President. One of the nicest customs in the Middle East is the traditional greeting, "Peace be upon you." King Hussein's visit with us comes at a time of the year when thoughts of peace are very much in our minds. And in our meeting today, His Majesty and I have had a chance to reaffirm personally the continuing friendship between our two countries and to share with each other our hopes and dreams about our common goal of a just and lasting peace in the Middle East.

As trusting friends, we've spoken to one another as we always do—with candor and good will. And I told the King of my personal commitment to see peace in the Middle East become a true and lasting reality, and of my equally deep commitment to the proposals that we made September 1st to Israel, to the Palestinians, and to the Arab States.

I also expressed America's gratitude to the King for his own important actions in support of our initiative over these past few months. His Majesty eloquently described his vision of peace and reviewed for us what he's been doing to help give peace a chance to take root—particularly his efforts to encourage the Palestinians to join him in efforts to take bold steps toward peace.

Together, we've also shared our thoughts on what remains and must be done by each and all of us to give life to this common goal. We share a sense of urgency to succeed at this commitment. Our discussions today have lead to further meetings between our staffs over the next 2 days, and I look forward to meeting with the King again before he leaves Washington.

Your Majesty, welcome.

The King. I thank you, sir, for the warmth of your welcome, for the privilege and pleasure I and my colleagues have had of meeting with you, sir, and with our friends, and for the opportunity to discuss many problems of mutual concern and interest and many challenges that lie before us.

We look forward, sir, to continuing our discussions in the coming days, and this is an opportunity for me to reaffirm a long-life commitment for the establishment of a just and durable peace in the Middle East. May we hope and pray that we will succeed in making a contribution for a better future for generations to come in our part of the world and for the cause of world peace.

We'll continue to do our utmost, and we value very much, indeed, the atmosphere of friendship, honesty, and candor that has characterized our relations and particularly, sir, the friendship that exists between us. I thank you very, very much indeed, sir, for your many kindnesses and for the privilege and pleasure of being with you and with our friends.

Thank you, sir.

Note: The President spoke at 1:32 p.m. to reporters assembled at the South Portico of the White House.

Earlier, the President and the King met privately in the Oval Office. Senior members of their delegations joined them for further discussions, and then they met, together with their delegations, in the Cabinet Room. The President and the King and their delegations then attended a working luncheon in the State Dining Room.

Letter to the Speaker of the House and the President of the Senate, Together With a Policy Statement, on Soil and Water Conservation Programs

December 21, 1982

Dear Mr. Speaker: (Dear Mr. President:)

I am pleased to transmit a Statement of Policy, an appraisal of this Nation's soil and water resources, and the Secretary of Agriculture's program for departmental conservation activities as required by the Soil and Water Resources Conservation Act of 1977.

The Secretary of Agriculture's program provides important guidance for the near and longer term management of the Nation's soil and water resources. The wise use of these resources will assure continued availability of food and fiber to meet domestic and world needs. My Statement of Policy provides further guidelines for implementation of the recommended program.

The Secretary's program is based upon findings developed from extensive surveys and evaluations of the current state of this Nation's soil and water resources. It is designed to correct identified problems through targeting Federal assistance to priority problem areas. It also calls for a greater role for State and local governments for the conduct of programs to assist private landowners in solving resource problems to protect the long-term productivity of this Nation's soil and water resources. The documents which are being transmitted to the Congress today will be helpful in your consideration of soil and water conservation policies, programs, and budgets.

I look forward to working with the Congress as you review these documents and my Statement of Policy in the coming months.

Sincerely,

RONALD REAGAN

STATEMENT BY THE PRESIDENT

Today I am transmitting to the Congress this Statement of Policy for planning, implementing, and allocating resources for the soil and water conservation programs of the U.S. Department of Agriculture between now and 1987. This is required by Section 7(a) of the Soil and Water Resources Conservation Act of 1977, Public Law 95–192. Accompanying this statement are other documents required by this Act: Parts I and II of an *Appraisal* of the condition and trends of soil, water, and related resources in the United States and a *Program and Environmental Impact Statement* containing the program that has resulted from this appraisal.

These studies show the condition of the soil and water on two-thirds of America's land—the rural non-federal land of the United States. This land totals 1.5 billion acres, and most of it is privately owned. It includes the farms, ranches, and private forests where almost all of our food and natural fibers and much of our pulp and timber are produced.

The natural resources on our rural lands are vital to the present and future welfare of the American people. The soil and water on these lands are basic to the production of food and fiber for domestic and world needs. Maintaining the productivity of these resources is essential to American agriculture and to the health of the Nation's economy.

American agriculture has achieved the greatest record of production in the world. A free market economy, mechanization, research, adequate capital inputs, fertile soil and water management have contributed to that record. These factors and others have generated an agricultural system that not only provides a varied and inexpensive supply of food for U.S. consumers but also feeds a significant part of the world's population.

Despite this unsurpassed record, however, the *Appraisal* reveals that inadequate resource management in some areas is damaging our soil and lowering the quality and

quantity of our water resources. Soil erosion, for example, was reduced by soil conservation practices in the decades following the Dust Bowl of the 1930's. Now, soil erosion appears to be increasing again as we have made more rural land into cropland, particularly for corn, soybeans, and other row crops to meet the growing export demand. While about one-third of America's cropland is currently experiencing soil erosion from wind and water at rates which threaten the long-term productivity of the land, about 54 percent of all sheet and rill erosion and 89 percent of the excessive erosion of this type occurs on about 10 percent of the Nation's cropland (41 million acres). The condition of our grazing land has been improving steadily since the 1930's, but more than half is still in fair to poor condition. Responding to their own incentives, private landowners in many cases have introduced practices and improvements to control erosion.

Agriculture is by far the Nation's biggest user of water, and water is being use—and wasted—in greater amounts that ever. In some parts of the West and Great Plains, groundwater is being used to irrigate crops faster than it is being replenished. Damages from upstream flooding are expected to increase in the years immediately ahead, largely because people continue to build on land subject to flooding.

Federal Conservation Programs

Programs to deal with soil and water resource problems were begun by the Federal Government about 50 years ago. Research programs to focus on soil erosion began in the late 1920's, and soil conservation programs were begun in the Dust Bowl years of the 1930's. Since then many Federal, State, and local government agencies have carried out programs to protect, conserve, and improve soil and water resources, usually in cooperation with individual landowners.

Some 27 conservation programs, involving conservation research and education, technical assistance, cost-sharing and loans are administered by 8 agencies of the Department of Agriculture. Some of these programs, while popular with farmers and ranchers, do not clearly address the Nation's most critical soil and water resource problems. Further, after nearly half a century of Federal conservation assistance programs a substantial number of farmers have not applied needed conservation measures. Too much soil continues to erode at rates that threaten productivity and impair water quality. Too much water is not efficiently managed, resulting in a threat of water shortages. Too much land is subject to excessive flood damages.

Appraisal of Alternative "Futures"

The *Appraisal* examines the impact on available cropland through 2030 of several alternative projections of domestic and foreign demand for agricultural production, and alternative rates of growth in agricultural productivity. Under a number of projections of increased demand and growth in productivity, the existing farmland base can provide the necessary production by the year 2030 without significant real price increases or adverse impacts to the land. Under some of the more "extreme" projections with high projected demand and low growth in productivity out to 2030, additional cropland would be required. Futhermore, there could be significant increases in the cost of agricultural production as well as increases in cropland erosion.

The proposed program is not predicated on either the most optimistic or pessimistic assumption about the future. Instead it is designed to accommodate a wide range of uncertainty in future agricultural production possibilities.

The *Appraisal* recognizes that soil and water conservation management is needed to counteract adverse impacts on this Nation's soil and water resource base, especially if a "high" demand for agricultural products is projected over the next 50 years.

The *Appraisal* makes it clear that some changes in Federal soil and water conservation programs will be necessary to provide protection for the Nation's soil and water resources on non-federal land. Simply increasing Federal contributions to soil and water conservation is not the answer to our resource problems. Stewardship of the land is primarily the responsibility of the individual landowner. The marketplace generally

determines what resources the individual will devote to the management of his land and water. The role of the Federal Government in promoting soil and water conservation is therefore subject to limitations imposed by economic conditions and the individual landowner's willingness to cooperate. The most important contribution that this Administration can make to the conservation effort is to redirect current conservation programs and develop fresh approaches to solving the resource problems that continue to threaten the long-term productivity of our soil, water, and related resources. The program effects this redirection and provides for these fresh approaches. It will be the new benchmark for budget proposals and planning of all conservation programs in the Department of Agriculture.

The Recommended Program

The recommended program includes the following key features:

1. *National conservation priorities.* The program for the first time sets clear national priorities to guide Federal conservation efforts. The top priorities are reducing soil erosion, conserving water and reducing upstream flood damages.

2. *Development and promotion of cost-effective conservation measures.* The program encourages development and adoption of conservation measures, such as conservation tillage and range management, that are most cost-effective in reducing erosion and solving other resource problems.

3. *Targeting.* The program calls for targeting an increased share of Department of Agriculture resources—people and dollars—to critical problem areas where the need for conservation is greatest. It also targets Department of Agriculture research and education efforts toward the solution of those soil and water problems that impair agricultural productivity and cause permanent damage to basic resources. Targeting will take no more than 25 percent of total conservation funds and will be phased-in over a five-year period, adding 5 percent a year.

4. *Matching grants.* The program provides matching grants to encourage local and state governments to participate more fully in planning and implementing conservation programs.

5. *Conservation pilot projects.* The program calls for undertaking pilot projects to test new conservation methods and incentives to help farmers and ranchers practice conservation effectively and at reasonable cost.

6. *Intergovernmental cooperation.* The program will aim for improved coordination among the various Federal, state, and local agencies with conservation responsibilities. It will foster closer cooperation and coordination within the Department of Agriculture itself and among the eight agencies of USDA with responsibilities for conservation programs.

These features and others are described and evaluated in detail in the *RCA Program Report and Environmental Impact Statement.* Since they make so many significant changes in previous Department of Agriculture conservation programs, the Department measured public reaction to them in 1980 and 1981. Nearly 83,000 people commented on the latest draft, including Members of Congress and the Governors of 37 States, Puerto Rico, and Guam. More than half the respondents were farmers or ranchers. Comments received have been studied carefully and considered in preparing the final program document.

Budgeting Policy

It is my intention that the Department of Agriculture manage its soil and water conservation programs as efficiently as possible. This includes eliminating overlap among programs and reducing instances in which one program conflicts with the aims of another.

I anticipate that my future budget proposals will fall within the bounds of the recommended program. Funding for conservation programs, however, will necessarily be considered in each year's economic and fiscal context. The demands placed on our financial resources by other national goals and interests must also be weighed. Consideration of those competing demands each year could make it necessary for this Administration to propose a conservation program budget less than the proposed lower

bound. I anticipate that State and local governments, as they assume more significant roles in conservation program design and management, will contribute a larger share of needed funds for conservation.

Conclusion

I believe the process introduced by the Soil and Water Resources Conservation Act of 1977 is useful. The *Appraisal* and *Program* have been major steps in developing a sound planning process for the Department of Agriculture's soil and water conservation program. They provide a long-needed picture of the status of soil and water resources and the projected demands on those resources, and a realistic strategy for the Federal Government to follow in helping to manage, conserve, and improve those resources to meet national needs and goals. It is my belief that this strategy will result in a significant improvement in the effectiveness of USDA conservation programs.

I commend the Secretary of Agriculture for his Department's efforts in preparing the *Appraisal* and *Program* and for his responsiveness to the Soil and Water Resources Conservation Act of 1977.

Note: This is the text of identical letters addressed to Thomas P. O'Neill, Jr., Speaker of the House of Representatives, and George Bush, President of the Senate.

Statement on Signing the Congressional Reports Elimination Act of 1982

December 21, 1982

I have today signed into law H.R. 6005, the "Congressional Reports Elimination Act of 1982." This act repeals or modifies requirements for the submission of 67 reports to the Congress that are no longer useful, duplicate other requirements for providing information, or involve costs and time to executive agencies that outweigh any benefits or utility to Congress. This is a useful and constructive step in reducing unnecessary paperwork and in improving executive branch operations.

Note: As enacted, H.R. 6005 is Public Law 97-375, approved December 21.

Statement on Signing the Continuing Appropriations for Fiscal Year 1983

December 21, 1982

Today I am signing into law House Joint Resolution 631, which provides continuing appropriations for the remainder of fiscal year 1983.

There are two major features of this bill that are commendable:

—It marks the first time in 3 years—since fiscal year 1980—that the Congress has completed action on a budget for the full fiscal year before final adjournment. This resolution contains funds for 6 of the 13 regular appropriations bills; funding for the other 7 appropriations has been provided in other measures that have passed the Congress. While I continue to be deeply troubled by the budgetmaking processes in our government, I am pleased that the appropriations for the current fiscal year have finally been passed.

—Secondly, the level of funding provided in this resolution is consistent with the budget resolution adopted earlier this year by the Congress. To be sure, this bill contains some funds and provisions that I did

not seek or prefer, but it does avoid a number of mistakes contained in earlier versions. On balance, the resolution is a significant achievement in our efforts to control discretionary spending.

The principal reason for the Congress to return to Washington for this final session was to complete action on the 1983 budget in a responsible fashion. Enactment of this resolution justifies that effort. I commend the Congress for its endeavors and hard work, especially Senate Majority Leader Howard Baker and House Speaker Tip O'Neill, as well as Appropriations Committee chairmen Mark Hatfield and Jamie Whitten, for completing a challenging task under difficult circumstances.

In order to get America back to work, we need economic growth that only fiscal stability and lower interest rates can provide. To achieve this goal, we must keep a tight leash on Federal spending. By passing a budget consistent with the earlier budget resolutions it committed to follow, the Congress has taken an important step in the right direction.

While spending must be restrained, we must also do our best to ensure that spending changes are fair and equitable. For this reason, I am particularly pleased that this resolution will correct a serious inequity that was inadvertently done to survivors of American veterans in the 1981 Reconciliation Act. This correction, which I strongly supported, restores educational and other benefits for children of veterans—benefits which were mistakenly reduced at that time.

Unfortunately, this resolution also contains a number of provisions about which I have serious reservations. For example, the bill fails to provide specific funds for production of the Peacekeeper missile. While I am disappointed in the congressional action on this vital strategic forces program, the language of the conference report does enable us to keep to our schedule for initial deployment in 1986 once the Congress approves a permanent basing decision. Between now and this spring, I will work closely with Members of Congress to address their concerns and to assure the fullest possible examination of alternative courses of action. Let there be no doubt that the United States remains strongly committed to the pursuit of both effective deterrence and meaningful arms control.

A similar problem is the failure of the resolution to provide full production funding for the Pershing II missile. We are developing this missile along with the ground-launched cruise missile in order to meet an Allied request for land-based systems in Europe that would help maintain deterrence. We intend to meet the scheduled deployment of these missiles in December 1983. We remain steadfast in our determination to meet these alliance commitments.

The allocation of the funds contained in the continuing resolution for foreign assistance is also a concern. First, it cuts total budget authority for foreign aid, excluding the Export-Import Bank, by $571 million. Second, within that total it distributes limited resources unwisely and inequitably. As a consequence of these changes in this resolution, $800 million in foreign assistance requested for many deserving countries has been denied in order to further increase aid to a nation already receiving 28 percent of our total foreign aid in addition to a $300 million credit increase I proposed this fiscal year.

A third provision of concern is the way in which the resolution would mandate continued funding of existing grantees of the Legal Services Corporation until the Senate has confirmed a new Legal Services Corporation Board. Questions have been raised as to whether this provision is in conflict with my constitutional authority to make recess appointments. I have asked the Attorney General to advise me on this matter.

After taking all factors into account, I think that this effort has been worthwhile. Together, the administration and the Congress have agreed on a continuing resolution that will complete the 1983 budget process with reasonable funding. I thus take pleasure in signing H.J. Resolution 631 and ask all Federal employees to provide the most effective and efficient services available for the taxpayers' hard-earned money.

Note: As enacted, H.J. Res. 631 is Public Law 97–377, approved December 21.

Remarks on Presenting the 1980 and 1981 Young American Medals for Bravery and Service

December 22, 1982

The President. Ladies and gentlemen, let me just take a moment to say a word about all the recipients of these medals.

You know, it's frequently said that young people need heroes to look up to and emulate. But in this ceremony today, it's we older people who are doing the admiring and finding inspiration in lives younger than our own. And this is especially fulfilling, because is serves to remind us of the caliber of people who'll be leading our country in a few years. It also illustrates how strongly rooted the tradition of service and heroism is in America's young people.

You know, Nathaniel Hawthorne once said that heroes can be heroes only in a heroic world. What he meant, of course, is that service and bravery can be honored only in a society that puts a premium on those qualities. When we honor those who in service and bravery stand out amongst us, we're reaffirming our own most deeply cherished beliefs and traditions.

John Terry is awarded the 1980 Young American Medal for Service. John is honored for having taken personal responsibility for the appearance of his street in Philadelphia—not just in front of his house, the whole block. For several years now, he has been regularly sweeping up, cleaning up the entire block. And he doesn't do this because someone told him to. He doesn't get any money or merit badges, or even much in the way of formal thanks for it.

John, you looked around you in your hometown. You saw things that needed improving. And instead of writing to Washington or city hall, you went out and got the job done yourself. And John, I might say it's really good to see you again. You see, usually, ladies and gentlemen, I never meet any of the Young American Medal recipients until they come here to receive their medals. But I met John last year in Philadelphia, where they consider him an example for young people, for adults, for the whole city.

I had heard about him. I think, John—if I'm correct, it started with a nearby neighborhood park. And John decided it needed cleaning up, and cleaned it up. And from there on, he took on the chore, every day, of the block in which he lived. So, that's another spirit of American voluntarism. And we need it not just in Philadelphia but throughout the entire country.

So, we didn't know this would happen when we met, did we, John? But congratulations.

Mr. Terry. Thank you, Mr. President.

The President. Your mother is not here?

Mr. Terry. No, sir.

The President. Thank you very much.

That was John's sister—that I met also in Philadelphia—who took that picture. And they—both of them—said it was done just because that's the way their mother had raised them to do things.

Jeffrey Blake is awarded the 1980 Young American Medal for Service. As a long-time member of his country's American Red Cross chapter, Jeff has an extraordinary record of accomplishment. His record includes the establishment of a Red Cross communications system and a disaster response team that has rendered assistance at the scene of many fires and other tragic and unfortunate events.

One of the things that has most amazed foreign observers of American democracy—like the French philosopher de Tocqueville, who came here 140 years ago to look at this miracle that was America. And what he discovered was the astonishing capacity of Americans for helping one another.

Jeff, you've done truly outstanding work with an organization that was one of the first to earn Americans their reputation for compassion and humanitarianism. Your work carries on this tradition, and has already helped hundreds and, perhaps, thousands of people. And, Jeff, I want you to know how proud all of us are of you. Jeff, congratulations.

Robert Noble is awarded the 1980 Young American Medal for Bravery. One evening,

shortly after he graduated from high school, Bob Noble of Fredonia, New York, was at a party when he and his friends heard a tremendous collision on the highway nearby. And when they got to the wreck, they found the car in flames. Bob climbed into the burning automobile several times. He removed two persons who, as it turned out, died of their injuries—well, one was dead already, as he discovered, and the other died in his arms. But he also saved a woman who otherwise would have surely died in the fire.

One thing that should be mentioned about Bob is that he had to overcome urgings of friends who warned him not to get involved in that rescue. It wasn't just that they were warning him of the danger. They were, in effect, arguing that it just wasn't smart to get mixed up in something like that. But he wouldn't buy that argument. He didn't really even listen. He went to that car. He chose to risk his life repeatedly to help people he didn't even know. It was a grisly, harrowing experience, but a life was saved.

Someone has said that heroes may not be braver than anyone else, they're just braver 5 minutes longer. Well, you were also braver 5 minutes before.

Michael Browne is awarded the 1980 Young American Medal for Bravery. Michael Browne of Dixon, New Mexico—that just struck a nerve with me, D-i-x-o-n. I'm from Dixon, Illinois. [*Laughter*] But when he was 13, he acted alone in making a hazardous climb in the dark to aid a severly injured hiker high on a 300-foot-high mountain ledge. For several hours, hoping that rescue workers would find them, he clung to her in the darkness, keeping her from sliding over the edge.

Michael's a special kind of boy. He lived alone in an adobe house in that mountainous area—no electricity, no frills, very little of what we've come to think young people need to grow up right. Well, I guess we're wrong. The grown men and women who know this young man, especially the rescue workers who came to take over after he'd been singlehandedly preserving that young woman's life for hours in the rain and darkness, will tell you they don't come any better. And, Mike, as a fellow Westerner, I'm especially proud to shake your hand.

The 1981 Young American Medal for Bravery would have been presented today to Jeffrey Jones from Lancaster, Pennsylvania. But, unfortunately, that's not possible. With us today are Mr. and Mrs. James Jones, who will accept the Young American Medal for Bravery on behalf of their son, Jeffrey Jones.

Jeff, an 18-year-old volunteer fireman, died while attempting to save three rescue workers who had been overcome by lethal fumes in an underground tank. It was for that sacrifice that he was chosen to receive the medal. This is a reminder, a sad one, that we honor members because they take great risks and sometimes they pay the ultimate price.

Mark Rhiener is awarded the 1981 Young American Medal for Bravery. The incident that took Jeffrey Jones' life nearly took Mark's life. Mark, 18 and a volunteer fireman, was also overcome by the poisonous gas, but he regained consciousness briefly and was able to grab a rescue line. It all started when an 8-year-old boy fell down a narrow pipe into an underground tank. Two paramedics and Mark and, finally, Jeff went down that pipe. The little boy's life was saved—barely—and Mark here had a very narrow escape. But when it was over, three men were gone.

We're proud, of course, very proud of them. And, Mark, we're proud of you.

We can only wonder at the bravery that sent Jeff and Mark into that tank. They knew that two paramedics had already passed out, but they felt they had to try. And that, of course, is what makes a hero. He has to try. He may measure odds and weigh the chances, but his heart seems to take over and make the decision for him.

These medals we've given out today give us all something to think about. They're a testament to how good people can be and especially how remarkable young Americans can be.

We're grateful to you all for coming. God bless you, and God bless these wonderful young people.

Note: The President spoke at 10:34 a.m. at the ceremony in the State Dining Room at the White House.

Remarks on the Caribbean Basin Initiative to the Ambassadors of Member Nations of the Organization of American States

December 22, 1982

I'm delighted to welcome all of you distinguished members from the diplomatic community and the other honored guests who are here with us.

I want to report to you today on the status of our Caribbean Basin Initiative. This initiative is part of America's contribution to a collective partnership for peace, prosperity, and democracy in the Caribbean and Central America. And as you know, I recently traveled to South and Central America. The reception I received convinced me even more of the vital importance to all of us of the well-being, the independence, and the security of the nations of the Caribbean Basin and, indeed, the entire hemisphere.

My conversations with the Presidents of five Caribbean Basin countries were particularly inspirational and helpful. We face common economic problems of deficits, slow growth, idle capacity, and high debts, and common threats of insurgencies supported by Cuba and other Soviet satellites.

I was impressed most, though, by the bright prospects for the future. Great advances were made over the previous two decades in economic growth, in developing and diversifying industrial and agricultural production, improving health services and education. I'm convinced that the hemisphere will continue this trend of strong growth and improvement.

The promise of the New World remains bright. We have great resources and dynamic peoples. Prosperity strengthens democracy. Throughout the hemisphere, democracy is on the move. Nearly all the governments in the Caribbean Basin are now democracies. Freedom and respect for human rights gives the fullest expression to the meaning of life, and democracy also advances peace. Democracies live easier with each other. Freedom is not a source of aggression; it can't be imposed like totalitarian philosophies by force and repression.

I found in my talks just recently on this trip to South America how few of us have stopped to think that this hemisphere and these two great continents, linked as they are by Central America, have probably known a longer period of peace than almost any other area of the world, and maybe it's because no matter which country we come from, our forebears all came here from someplace else looking for the same thing—opportunity and freedom. And as we grow closer to each other, more neighborly, we can become a force for good in the world more than anyone could dream at this time.

I sought to explain our policies, and I found support for them: to strengthen the practice of democracy and the respect for human rights; to continue support for the San José peace process to reduce tensions and conflict in Central America; to provide limited assistance to help small countries struggling for democracy to defend themselves against foreign-supported insurgents or terrorists determined to impose their own totalitarian ideas; to support the integrity of an open and free trading system which is vital to the prosperity of all the peoples of this hemisphere; to help countries trying to work through financial crises and who are adopting adjustment programs in hard times just as we're doing.

I'm pleased that we now have substantial agreement on the important elements of a replenishment of the Inter-American Development Bank. This includes an overall lending program of $13 billion, an acceptable level of concessionary financing, and a new intermediate financial facility. And of course the Caribbean Basin Initiative is a central and critical feature of this policy. Its importance was underscored by everyone I met.

I promised that my administration would do its best to gain passage of the free trade and investment proposals in the initiative in this session of Congress. Now this is not a "made-in-the-U.S.A." product. We in the Americas have all contributed our ideas, our resources, and our strong efforts to create this bold appproach to development, a posi-

tive program rooted in self-help and a private initiative through which we and our neighbors can assist each other.

Now, let me report on where that effort stands and what lies ahead. The aid portion of the program is an accomplished fact. The other part, having to do with trade and investment, is still in the legislative process, I'm sorry to say. Because of procedural maneuvering by a small minority of opponents, it has been difficult to bring that part of the CBI legislation to a floor vote in the Senate, where a clear majority would have supported passage.

But what I want you to know is that the Caribbean Basin Initiative will not die. The tremendous efforts that the leaders of your countries have put into this bill will not be in vain. It was your leaders who were most responsible for capturing the attention of one of this country's most able legislators, Dan Rostenkowski. He turned his skills toward passage of the CBI in this short, lameduck session and was able to produce an overwhelming vote of 260 to 142 in the House of Representatives. Working together, I'm sure that we can count on his leadership again when the session resumes next—or the new Congress comes in next year.

I know we can also count on the strong and able support of Senator Dole. I'm personally determined to see the CBI through. This initiative is close to my heart. It is my highest priority. It proposes the right measures to help our neighbors through this difficult period. More important, it can help open the door on to the kind of future our neighbors have a right to expect.

The CBI will be among the very first pieces of legislation that I submit to the 98th Congress next year. The time is short, the needs are great, but we'll win this fight, because there's no acceptable alternative. Together we're a tremendous force for good. We'll show the world that we conquer fear with faith, that we overcome poverty through growth, and that we counter violence with opportunity and freedom.

And, so saying, that's all that I have to say, except a thank you to all of you who have helped so hard in trying to get this passed through the legislature in this session. I thank you for your efforts in the past. I wish I could say that's all that we have to now do. But I'll just consider that you're going to be just as active and working just as hard in the near future when the holidays are over and the Congress is back in session.

Thank you all, again, very much.

Note: The President spoke at 3:03 p.m. in the State Dining Room at the White House.

Executive Order 12397—National Commission on Social Security Reform

December 23, 1982

By the authority vested in me as President by the Constitution and laws of the United States of America, and specifically the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), it is hereby ordered that Section 2(b) of Executive Order No. 12335, establishing the National Commission on Social Security Reform, is hereby amended to provide as follows:

"The Commission shall make its report to the President by January 15, 1983.".

RONALD REAGAN

The White House,
December 23, 1982.

[*Filed with the Office of the Federal Register, 1:21 p.m., December 23, 1982*]

Remarks and a Question-and-Answer Session With Reporters on the Accomplishments of the 97th Congress

December 23, 1982

The President. Good morning. Are we on already?

Q. Yes, we are.

The President. We are. All right. [*Laughter*]

Q. Please go ahead.

The President. All right. Well, we just had some excellent news from Capitol Hill. The Senate has voted to end the filibuster and has taken final, favorable action on the highway improvement revenue legislation. And before the stampede to the airport starts, I'd like to take a moment to congratulate the Members of the 97th Congress for their accomplishments while in this postelection session. They've dealt with some very difficult issues and put in some very long hours, when they, like so many other Americans, have been anxious to return home for the holidays.

In passing this highway revenue legislation, the Congress made a very important contribution to the quality of transportation in America and to the mobility that we sometimes take for granted. This bill, which I look forward to signing, will speed the repair of our aging roads, bridges, and transit systems and accelerate work on the uncompleted portions of the Interstate System.

It's a credit to leaders of both parties and to the hard work of many Congressmen and Senators on both sides of the aisle that this legislation was passed during this session. I applaud the Congress for their bipartisan support to ensure that our roads and transit systems are safe, efficient, and in good repair.

In addition, this bill will provide up to 6 additional weeks of benefits to unemployed workers who have used up all their weeks of unemployment insurance. These additional weeks of benefits will put more than a half billion dollars in the hands of long-term unemployed workers between now and March 31st, 1983.

The Congress also adopted full-year funding for the Government, the first time it has done so in 3 years. While still only in the form of a continuing resolution, this action will allow us to get right to work on the 1984 budget in January. By starting on time next year, we'll have a chance to finish on time and end this era of government by continuing resolution. This alone more than justified the Congress returning after Thanksgiving.

Members also resisted pressure from many special interests to pad the budget with unwarranted pork-barrel projects. Unfortunately they failed to fully fund production of the Peacekeeper missile, and only one House overwhelmingly approved the Caribbean Basin Initiative. However, as I've said, initial missile deployment will be possible during debate of a permanent basing system, and the CBI will be high on our legislative agenda for next year.

Again, I would like to thank the leaders and the Members of Congress for their hard work, and wish them all—and all of you—a very merry Christmas.

Foreign Policy

Q. Mr. President, it's been a turbulent year around the world—three major wars, one of them still being fought. Do you feel, when you look back, that you were able to set your own agenda this year, that you devoted much more time and energy reacting to foreign crises? And what do you consider your greatest accomplishments?

The President. Well, I haven't thought about it much in that line, except that we can say that in this year, and even in the preceding year, the Soviet Union has not advanced further in its expansionism than it had 2 years ago. It has not gone into additional countries. I think we have made great progress with regard to our relationship with our allies in Europe and Japan, and more recently—although we began earlier—with our neighbors here in the Western Hemisphere. And I think that the initiative that we've taken in the Middle East is probably the greatest accomplishment, and

I have great hopes for that. If we can bring peace to that very troubled area, I think we will have made a very great accomplishment.

Q. And disappointments?

The President. What?

Q. Disappointments?

The President. Well, you always have some disappointments. Every time you send something up to the legislature, you don't quite get what you wish you'd gotten.

Conservatives in Congress

Q. Mr. President, speaking of those disappointments, what about the conservative filibuster? They've frustrated you and the rest of the country for several days on this gasoline tax and, in particular, also brought down any chance of the Caribbean Basin Initiative. Aren't you frustrated and angry with the conservatives? And what does it mean for the future leadership in the coming Congress?

The President. Well, I've been dealing with legislators for 10 years, and so I'm not too surprised by things that happen. With regard to making any specific comment on this, they have their own rules. They abide by them. And I respect the separation of powers.

Q. Well, can't you just say how you feel about the tactics that were employed? Senator Simpson of your party spoke out; there have been other Republicans who've spoken out. Doesn't it say something that's not very positive about the conservatives in your party?

The President. I would rather add, generally—if I had a criticism to make, it would be on the whole subject of the budgeting process in the Federal Government. And believe me, it is in need of reform.

You'll realize that this, as I say, is the first time in 3 years—and we're already 3 months into the fiscal year—this is the first time in those 3 years that we have had a spending bill that is in conformity with the budget resolution and that has been passed clear to the end of the year. And I am one that's old-fashioned enough to believe that the day the fiscal year begins, the budget of the Government should be in place, approved, and signed by the President.

Budget Deficit

Q. Mr. President, there are reports now that the deficit could go as high as $190 billion, that you have a report from your own economists predicting that this is possible. Is this true? And what can you tell the American people about the budget that keeps growing and growing—you just can't seem to get control of it?

The President. I have spoken to the fact that the budget has a number of areas that are uncontrollable, principally in the entitlements, where the legislation that originally created the programs automatically provided for increases in them—and without any further legislation. And we're looking at that as we go forward with the '84 budgeting process.

Also, there is the item of interest on the national debt, which is—there's no way that anyone can say we won't pay that; you have to pay what's due. And when you stop to think how small the deficits would be if it weren't for those long years of deficit spending that have resulted in more than a hundred billion dollars—the interest on the debt is higher than the entire Government budget was not too many years ago. And this is what I mean about the entire budgeting process.

But I think we have made great progress in reducing the rate of increase in spending. We're bringing that rate down, hopefully to the point that it will match the rate of increase that comes with natural growth in revenues. But right now you have an added factor: The greatest single factor is the recession. You have millions of people who are not paying taxes who normally do, and, at the same time, many of those people are now receiving benefits from government. And this has added to the cost and reduced the expected revenue.

But on this budget—particular thing—no, we have not done that, and I am slated in January to come forth with an estimate of what the deficit will be. And it has to be based on projections. And I know that the projections we ourselves have made, based on the soundest of economic advice, a number of times in these last 2 years have been proven to be incorrect, because they have not been able to predict unexpected

happenings, such as this unemployment that I've just been talking about. And I would think that it would make us all cautious about the idea that, even though the law forces us to project several years ahead what's going to happen, the truth of the matter is no one can intelligently project.

The Middle East

Q. Mr. President, you talk about the Middle East in terms of being a greatest accomplishment. Yet, your guest King Hussein here at the White House today is still reluctant to enter the process. The peace plan you put on the table September 1st remains there. What gives you hope in the Middle East? And will it take a change in the government in Israel to bring about some progress?

The President. No. I don't believe that. And I think we are making progress. I don't think that just having announced the idea September 1st indicates that this is long overdue when you stop to think how many years this trouble has been going on there.

Now, I think we're making progress in the first step, which has to be the total removal of the forces from Lebanon. And King Hussein and myself, our people and his who are here with him—we have made great progress in this. And I think his courage in being willing to join in this process is—and participate as he has already—is to be commended.

But I have another meeting scheduled with him this afternoon before he leaves, and I'll have a statement to make then, at his departure time.

Q. Will King Hussein do more?

The President. What?

Q. Will King Hussein enter the process even more?

The President. I can't comment at this time—until we've concluded our meetings.

Unemployment

Q. Mr. President, it's Christmastime again. Millions of Americans remain out of work. What message can you give them specifically now? And when can they look for some help?

The President. I am convinced that this coming year, 1983, is going to see a definite upturn. I wish that I could promise that unemployment would instantly respond, but we know from seven previous experiences since World War II that it doesn't. It's the slowest thing in recovering.

But I would like to say to all the American people the evidence of the last few days of the neighborly spirit in America certainly must have been personally gratifying to every one of us all across this country—the efforts that have been made to help those neighbors of ours.

The other thing that I would like to suggest to the whole business community—I know that there are some businesses that, themselves, are faced with troubles and can't do this, but if a lot of businesses would take a look and see if they could hire just one person, it'd be interesting to see how much we could reduce those unemployment rolls. And there must be some that can't, I know, because of their own troubles. But there must be others that could probably do even more than one—but if everyone would just simply look at it from the standpoint there are more businesses in the United States than there are unemployed.

Q. Are you frustrated by the inability of your administration to turn this unemployment situation around?

The President. No, because I think that we have put in place a sound program—and for the first time that this has been done in a number of decades—that is going to lead to a sound recovery.

The problem of unemployment has been plaguing us for a number of years. It's been a kind of a yo-yo, up and down, and yet each time that it goes up, it never has come back down to where it was before the economic crisis or upset. And this time we're trying to get an economic recovery that will see a sound recovery and a lasting recovery, not just a temporary—as I've called it—quick fix.

Q. Mr. President, I have heard you say on several occasions that there were Christmastimes when you were growing up when it was very tough sledding around holiday time, and that your father lost a job. And I wonder what you think the reaction of your father and mother might have been if the Congress of that period had passed a $5

billion bill that would have gotten him back to work right away, when you were a little fellow?

The President. Well, I've always thought that my father, God rest his soul, had the common sense that he would know that temporary fixes wouldn't work. As a matter of fact, when he finally did get a job it happened to be for the government, in which he and the county supervisor of poor shared a secretary, and were in charge of the help—and they called it relief in those days—for the people in our community.

But my father, on his own and without any instructions from government—because there was no such thing at that time, I mean, as a program—my father went out into the community on his own, single-handedly, and got everybody in our town that had any kind of work at all, part-time or anything else, to give him the handling of the jobs. And then, as our friends and neighbors who had to have help at that time would come in to him, weekly, for this relief. He had them all arranged alphabetically, and he would name off a list that he could tell them, "How would you like to have some work for *x* number of days or a week?"—or whatever it was—and they eagerly jumped at it and took that work.

And I sat there myself in his office and heard men coming in and say, "When is it going to be my turn; when do you get to my name again? It's been a long time since I've had some work." And guess what? The Federal Government then intervened and figured it out that they couldn't take that work, because if they took that work, they were denied relief and then had to go through the entire formal process of applying for relief again. And that took longer than the amount of work that they'd had. So, they were forced onto permanent relief. They couldn't work.

Deputy Press Secretary Roussel. Thank you, Mr. President.

Q. Thank you, Mr. President.

The President. Listen, I tell you, I know there are a lot more hands, and I'll try to see you more often. But I am now 31 minutes late for lunch with the Vice President, and you know how irritated George can get. [*Laughter*] So, I'd better get back up there to lunch.

Q. Merry Christmas, Mr. President.

The President. Merry Christmas to all of you.

Q. How's Mrs. Reagan?

The President. What?

Q. How is Mrs. Reagan feeling?

The President. Just fine, fine. And it is just as minor and insignificant as you've all been kind enough to say—no further treatment needed or anything else.

Q. Have you seen your electric trains?

The President. I run it. [*Laughter*] Yes, they gave me quite a package. I've never seen one that tiny.

Q. Thank you, Mr. President.

Note: The President spoke at 12:10 p.m. in the Briefing Room at the White House.

Appointment of Alan Greenspan as a Member of the President's Foreign Intelligence Advisory Board

December 23, 1982

The President today announced his intention to appoint Alan Greenspan to be a member of the President's Foreign Intelligence Advisory Board. This is an initial appointment.

Dr. Greenspan is chairman and president of Townsend-Greenspan and Co., Inc., in New York City. He is presently serving as Chairman of the National Commission on Social Security Reform. He is a member of Time magazine's board of economists and a member of the board of overseers of the Hoover Institution (Stanford University). From 1974 to 1977, he served as Chairman of the President's Council of Economic Advisers in Washington under President Ford. He served on the Executive Committee of the Economic Policy Board and the Domes-

tic Council, the White House, in 1974–1977; the National Commission on Supplies and Shortages in 1974–1977; the Commission on an All-Volunteer Armed Force in 1969–1970; and the Task Force on Economic Growth in 1969.

He graduated from New York University (B.S., 1948; M.A., 1950; Ph. D., 1977). He resides in New York City and was born March 6, 1926.

Appointment of Frank D. Yturria as a United States Alternate Representative on the South Pacific Commission

December 23, 1982

The President today announced his intention to appoint Frank D. Yturria to be an Alternate Representative of the United States of America on the South Pacific Commission for a term of 2 years. He will succeed Myron B. Thompson.

Since 1973 Mr. Yturria has been sole owner and operator of Family Ranching Operations in Texas. He is also chairman of the board for Texas Bank and Trust of Brownsville. He was Collector of Customs in 1953 under President Eisenhower and was reappointed Collector of Customs in 1956 after service in the Far East during the Korean war.

He graduated from Texas A&M University (B.S., 1947) and the University of the Philippines (M.A., 1956). He is married, has two children, and resides in Brownsville, Tex. He was born June 29, 1923.

Remarks of the President and King Hussein I of Jordan Following Their Meetings

December 23, 1982

The President. Your Majesty, we've had extremely productive talks, and I think we've made significant progress toward peace. We have initiated a dialog from which we should not consider turning back.

Much work remains to be done, and the road ahead is tough. But it's the right road, and I remain optimistic that direct negotiations for a just resolution of the Palestinian problem in the context of a real and enduring peace is within our reach.

Your visit has served as a reminder that the bonds of friendship that link Jordan and the United States are as strong as ever. And I am gratified as well by the warmth and good will which characterize our personal relationship.

I hope we can build on these bases in the weeks and months ahead to achieve the objective—enduring peace—which we and our people so fully share.

Your Majesty, I wish you a safe trip and look forward to our next meeting.

The King. Mr. President, I thank you once again, sir, for the privilege and pleasure I've had, together with my party from Jordan, of meeting you, sir, and being with our friends at this very important, historical point in time in terms of our common hopes, in terms of the future of the area I come from, and the future of generations to come.

To the skeptics, I would like to say that it has been, in my view, a very successful visit. I believe, sir, that we have an understanding of each other's views better than at any time in the past.

I can also seek to advise our friends that Jordan has been committed for the cause of establishing a just and durable peace. This has been our record since '67. This was reemphasized by the first summit, representing the view and the consensus of the

entire Arab world. And I hope that I've been able on this visit to assure you, sir, and our friends, of our determination to do all in our power for the establishment of a just and durable peace in the Middle East.

We will go back to our area. We will be in close contact over the coming period with our brethren there. There is much that we will take back with us, and we hope to be in touch again. I hope to have the privilege and pleasure of being with you, sir, before too long.

Rest assured of our commitment to the cause of future generations, their rights to live in peace and security in our entire area. I hope that we can contribute our share for a better, safer, more stable life for generations to come in the Middle East.

Thank you so much, sir, for your many kindnesses and your warm welcome. And may I also wish you a very Merry Christmas and a very Happy New Year, sir.

Note: The President spoke at 2:42 p.m. on the South Grounds of the White House.

Earlier, the President and the King met in the Oval Office with a group of U.S. officials and then in the Cabinet Room with members of the Jordanian delegation.

Appointment of Paul D. Guth as a United States Representative on the Joint Commission on the Environment

December 23, 1982

The President today announced his intention to appoint Paul D. Guth to be a Representative of the United States of America on the Joint Commission on the Environment established by the Panama Canal Treaty of 1977. He will succeed Charles R. Ford.

Since 1956 Mr. Guth has been with the firm of Blank, Rome, Comisky & McCauley in Philadelphia, Pa., and became a partner in 1961. He graduated from the University of Pennsylvania, Wharton School (B.S., 1953) and the University of Pennsylvania Law School (LL.B., 1956) He is married, has three children, and resides in New Hope, Pa. He was born July 19, 1932.

Statement on the Fuel Storage Accident in Venezuela

December 23, 1982

I have received with great sadness the news of the tragedy in Tacoa, Venezuela, where on Sunday, December 19, two fuel storage tanks exploded, resulting in the death of over 100 people, injuries to hundreds more, and extensive economic losses due to ensuing fires.

Coming on the eve of the Christmas season, this tragedy saddens all Americans. To the families of all who have perished in this calamity, including numerous firefighters and journalists, Mrs. Reagan and I, on behalf of the people of the United States, extend our sincere and heartfelt condolences. Our prayers go out to all of those who have suffered so greatly, and especially to those injured, for whom we wish a speedy recovery.

The U.S. Embassy in Caracas has been in continuous contact with Venezuelan authorities since the beginning of the tragedy to find ways in which the United States might be of assistance. For example, within a short time after the first explosions, a team of U.S. Coast Guard specialists in petroleum spills was dispatched to the scene of the fire. The U.S. Government stands ready and willing to help further.

In times like these, when a major disaster strikes, the people of the Americas must help in every way possible and offer solace to our friends in Venezuela.

Christmas Day Radio Address to the Nation
December 25, 1982

Merry Christmas from the White House. Nancy and I wish we could personally thank the thousands of you who've sent us holiday cards, greetings, and messages. Each one is moving and tells a story of its own—a story of love, hope, prayer, and patriotism. And each one has helped to brighten our Christmas.

Some of the most moving have come from fellow citizens who, unlike most of us, are not spending Christmas day at the family hearth, surrounded by friends and loved ones. I'm thinking of the 12 U.S. marines who sent us a card from Beirut, Lebanon, where they'll spend their Christmas helping to rebuild the shattered hopes for peace in a suffering land. And I'm thinking of the petty officer serving aboard the U.S.S. *Enterprise* who asked that we remember him and his shipmates this holiday season. "Christmas in the Indian Ocean is *no* fun," he writes, "but it's for a very good cause."

Well, that's right, sailor. You're serving a very good cause, indeed. On this, the birthday of the Prince of Peace, you and your comrades serve to protect the peace He taught us. You may be thousands of miles away, but to us here at home, you've never been closer.

One of my favorite pieces of Christmas mail came early this year, a sort of modern American Christmas story that took place not in our country's heartland, but on the troubled waters of the South China Sea last October. To me, it sums up so much of what is best about the Christmas spirit, the American character, and what this beloved land of ours stands for—not only to ourselves but to millions of less fortunate people around the globe.

I want to thank Mr. Gary Kemp of Neenah, Wisconsin, for bringing it to my attention. It's a letter from Ordnance Man, First Class, John Mooney, written to his parents from aboard the aircraft carrier *Midway* on October 15th. But it's a true Christmas story in the best sense.

"Dear Mom and Dad," he wrote, "today we spotted a boat in the water, and we rendered assistance. We picked up 65 Vietnamese refugees. It was about a two-hour job getting everyone aboard, and then they had to get screened by intelligence and checked out by medical and fed and clothed and all that.

"But now they're resting on the hangar deck, and the kids—most of them seem to be kids . . . are sitting in front of probably the first television set they've ever seen, watching 'Star Wars'. Their boat was sinking as we came alongside. They'd been at sea five days, and had run out of water. All in all, a couple of more days and the kids would have been in pretty bad shape.

"I guess once in awhile," he writes, "we need a jolt like that for us to realize why we do what we do and how important, really, it can be. I mean, it took a lot of guts for those parents to make a choice like that to go to sea in a leaky boat in hope of finding someone to take them from the sea. So much risk! But apparently they felt it was worth it rather than live in a Communist country.

"For all of our problems, with the price of gas, and not being able to afford a new car or other creature comforts this year . . . I really don't see a lot of leaky boats heading out of San Diego looking for the Russian ships out there. . . .

"After the refugees were brought aboard, I took some pictures, but as usual I didn't have my camera with me for the REAL picture—the one blazed in my mind. . . .

"As they approached the ship, they were all waving and trying as best they could to say, 'Hello America sailor! Hello Freedom man!' It's hard to see a boat full of people like that and not get a lump somewhere

between chin and bellybutton. And it really makes one proud and glad to be an American. People were waving and shouting and choking down lumps and trying not to let other brave men see their wet eyes. A lieutenant next to me said, 'Yeah, I guess it's payday in more ways than one.' (We got paid today.) And I guess no one could say it better than that.

"It reminds us all of what America has always been—a place a man or woman can come to for freedom. I know we're crowded and we have unemployment and we have a real burden with refugees, but I honestly hope and pray we can always find room. We have a unique society, made up of cast-offs of all the world's wars and oppressions, and yet we're strong and free. We have one thing in common—no matter where our forefathers came from, we believe in that freedom.

"I hope we always have room for one more person, maybe an Afghan or a Pole or someone else looking for a place . . . where he doesn't have to worry about his family's starving or a knock on the door in the night . . ." and where "all men who truly seek freedom and honor and respect and dignity for themselves and their posterity can find a place where they can . . . finally see their dreams come true and their kids educated and become the next generations of doctors and lawyers and builders and soldiers and sailors.

Love, John."

Well, I think that letter just about says it all. In spite of everything, we Americans are still uniquely blessed, not only with the rich bounty of our land but by a bounty of the spirit—a kind of year-round Christmas spirit that still makes our country a beacon of hope in a troubled world and that makes this Christmas and every Christmas even more special for all of us who number among our gifts the birthright of being an American.

Until next week, thanks for listening. Merry Christmas, and God bless you.

Note: The President's remarks were recorded on December 23 in the Cabinet Room at the White House for broadcast on December 25.

Statement on the Third Anniversary of the Soviet Invasion of Afghanistan

December 26, 1982

At this holiday season when most Americans are warmed and comforted by their family relationships and the blessings of this country, it is hard for us to realize that far away in a remote and mountainous land a valiant people is putting up a fight for freedom that affects us all. No matter how far removed from our daily lives, Afghanistan is a struggle we must not forget.

Afghanistan is important to the world, because the Afghan people are resisting Soviet imperialism. Three years ago on December 27, 1979, the Soviet Union invaded Afghanistan and installed a new Communist leader to head the Marxist regime that had taken power in 1978. For the first time since the immediate aftermath of World War II, the Soviets used a large-scale military force outside their borders and Eastern Europe to try to impose their will. If this aggression should succeed, it will have dangerous impact on the safety of free men everywhere.

Three years after the invasion, the Soviet occupation of Afghanistan is not a success. Even with the augmentation of their forces to close to 105,000 men this year, the Soviets, with the puppet Karmal regime, have not been able to control the countryside or secure many cities. They have failed to rebuild the Communist-controlled Afghan Army and to create an effective government.

This is due to the spirit and will of the majority of the Afghan people and to the *mujahedin,* the freedom-fighters, who continue to resist the Soviet invaders. In the face of repeated offensive campaigns during

the spring and summer of 1982, the *mujahedin* were able to drop back and then regain their positions once the Soviet forces had withdrawn. Their forces and their will remain intact.

We must recognize that the human costs of this struggle are immense. With the more intense fighting of 1982, casualties on both sides rose, and the civilian population suffered more than ever before. Crops and fields were destroyed by the Soviets, trying to deny to the *mujahedin* the support of the local population. Homes, and even entire villages, were leveled. We have convincing proof chemical weapons have been used by the Soviets against the Afghans. The refugee population has continued to grow, both in Pakistan and in Afghanistan, as peasants flee the destruction of war. It is a sad but inspiring story.

The United States does not intend to forget these brave people and their struggle. We have said repeatedly that we support a negotiated settlement for Afghanistan predicated on the complete withdrawal of Soviet troops. We joined the vast majority of the world community at the United Nations again in November in support of a resolution calling for a settlement along these lines. Just a few weeks ago, during his visit to the United States, I discussed with President Zia of Pakistan the need for a solution to the Afghanistan problem. We are both committed to a negotiated settlement that will return Afghanistan to the ranks of independent, nonaligned nations.

We in the United States sincerely hope that the new leadership of the Soviet Union will take advantage of the opportunities the new year will no doubt offer to achieve a solution for Afghanistan. The American people do not want to see the suffering and deprivation of the Afghan people continue, but we will not grow weary or abandon them and their cause of freedom.

It is our hope for 1983 that a free, independent Afghan nation will again find its place in the world community. We will not cease to support Afghan efforts to that end.

Letter Accepting the Resignation of Drew L. Lewis as Secretary of Transportation

December 27, 1982

Dear Drew:

It is with great regret that I am accepting your resignation as Secretary of Transportation effective February 1st. However, I respect your wish to take on a major challenge in the private sector.

When I came to Washington two years ago, it was with the intention of forming a Cabinet whose members could advise me on a wide range of issues. With that in mind, I have turned to you on many occasions for advice. In every case, your counsel has been thoughtful and showed a high regard for the public interest. I will miss your wise advice, but I intend to take seriously your offer to serve as a volunteer at my request. You can expect to continue receiving my calls in the future.

The strong leadership you have given as Secretary of Transportation is, of course, well-known. During the air controllers' strike, you acted with both prudence and firmness. You initiated development of a new national airspace system and you carried out the actions necessary to end Federal subsidies for Conrail, beginning the process of returning the railroad to the private sector.

More recently, your determination to focus public attention on the need to repair and maintain our nation's interstate highway and mass transportation systems resulted in the passage of the Surface Transportation Assistance Act by the Congress. The passage of this Act is a fitting capstone to your long record of achievement as Secretary.

I know that in the years ahead I will continue to call upon you, but for now, Nancy and I send you and Marilyn our warmest

affection and our wishes for every happiness as you return to the private sector.

Sincerely,

RON

[The Honorable Andrew L. Lewis, Jr., Secretary of Transportation, Washington, D.C. 20590]

December 12, 1982

Dear Mr. President:

After much thought and careful consideration, I have come to the conclusion that it is an appropriate time for me to return to the private sector. I would like to do so, with your permission, on February 1st.

The past three years, one year as a campaign volunteer and two years serving in your Cabinet have been the most gratifying of my life. It has been a great privilege to serve you and to be a part of your Administration. I have the highest regard for you, for your policies and for your leadership. As I have said to many groups on many occasions, "to serve President Reagan is to serve the best."

We have, however, accomplished many of the objectives we discussed at the time you first asked me to join the Cabinet. We have brought Conrail to the point where it can be returned to the private sector. A national airspace program has been defined and is underway. Both of these initiatives are close to completion and can be ably consummated by another Secretary.

I am extremely grateful for your support and for your confidence in me in all of our programs and especially during the difficult days of the air traffic controllers strike. As I told many people, even the most difficult problems can be handled when you have the solid backing of the President.

I will be pleased and honored to assist you in any way I can as a volunteer if you wish me to do so. I believe the country would benefit greatly from four more years of your leadership and would like to be involved in the campaign should you choose to run.

Marilyn joins me in expressing our appreciation and in extending our affection to you and to Nancy. We admire you greatly for what you are doing for our country, and we love you for being what you are.

Thank you for allowing me to share in what you are doing for America, and for the privilege of serving in your Administration.

Sincerely,

DREW LEWIS

Note: The text of the letters was released by the Office of the Press Secretary on December 28. Secretary Lewis' letter follows the text of the White House press release.

Nomination of Thomas A. Bolan To Be a Member of the Board of Directors of the Overseas Private Investment Corporation

December 28, 1982

The President today announced his intention to nominate Thomas A. Bolan to be a member of the Board of Directors of the Overseas Private Investment Corporation, United States International Development Cooperation Agency, for a term expiring December 17, 1985. This is a reappointment.

Mr. Bolan has been counsel to the law firm of Saxe, Bacon and Bolan in New York City since 1972. He joined the firm, then Saxe, Bacon and O'Shea, in 1959 as an associate and became a partner in 1960.

He is married, has five children, and resides in Flushing, N.Y. He was born May 30, 1924.

Appointment of Two Members of the Advisory Committee for Trade Negotiations
December 28, 1982

The President today announced his intention to appoint the following individuals to be members of the Advisory Committee for Trade Negotiations for 2-year terms:

Robert M. Ivie will succeed J. Stanford Smith. He is president of Guild Wineries & Distilleries in San Francisco, Calif. He was first appointed to the public Advisory Committee for Trade Negotiations in 1975 and reappointed for two subsequent terms. He has three children and resides in San Francisco. He was born August 20, 1930.

Tatiana Brandt Copeland will succeed George W. Stone. She is currently serving as president of Tebec Associates Limited, Wilmington, Del. Previously she was manager, international department, for E. I. du Pont de Nemours in 1975–1980. She is married and resides in Greenville, Del. She was born February 23, 1940.

Appointment of Three Members of the Board of Foreign Scholarships
December 28, 1982

The President today announced his intention to appoint the following individuals to be members of the Board of Foreign Scholarships for terms expiring September 22, 1985:

Lane Dwinell will succeed Beverly May Carl. He is a former Governor of the State of New Hampshire. He graduated from Dartmouth College (A.B., 1928) and the Amos Tuck School of Business Administration (M.B.A., 1929). He is married and resides in Lebanon, N.H. He was born November 14, 1906.

Marvin G. Kelfer will succeed Lia Triff Belli. He is president and chairman of the board of Travis Savings & Loan Association in San Antonio, Tex. He graduated from the University of Texas at Austin (B.B.A., 1950) and St. Mary's University School of Law (LL.B., 1960). He is married, has three children, and resides in San Antonio. He was born March 6, 1930.

James Babcock Meriwether will succeed Kenneth F. C. Char. He is a professor of English at the University of South Carolina. He graduated from the University of South Carolina (B.A., 1949) and Princeton University (M.A., 1952; Ph. D., 1958). He is married, has five children, and resides in Columbia, S.C. He was born May 8, 1928.

Remarks at the Recommissioning Ceremony for the U.S.S. *New Jersey* in Long Beach, California
December 28, 1982

Secretary Lehman, I thank you. Captain Fogarty, the officers and members of the crew, the other distinguished guests:

Secretary of Defense Weinberger would be here, but with all of us here he felt that someone had to stay in Washington and mind the store.

Surrounded by all this Navy blue and gold, I've had the strange feeling that I'm back on the set filming "Hellcats of the Navy." [*Laughter*] That was a picture that was based on a great, victorious operation of the Navy in World War II in the Sea of Japan called "Operation Hellcat." I remember at the time I was in love with my leading lady. She is Nancy, my wife, and I'm

still in love with her, but I have to confess that today I find myself developing a great respect for the leading lady in these ceremonies. She's gray, she's had her face lifted, but she's still in the prime of life, a gallant lady: the *New Jersey.*

I'm honored to be here for the recommissioning of this mighty force for peace and freedom. Putting this great ship back to work protecting our country represents a major step toward fulfilling our pledge to rebuild America's military capabilities. It marks the resurgence of our nation's strength. It's a strength we can afford. We cannot afford to lose it.

Since the founding of our Armed Forces during the Revolutionary War, our country has always done without large standing armies and navies. Our great success story—unique in history—has been based on peaceful achievements in every sphere of human experience. In our two centuries of continuous democracy, we've been the envy of the world in technology, commerce, agriculture, and economic potential.

Our status as a free society and world power is not based on brute strength. When we've taken up arms, it has been for the defense of freedom for ourselves and for other peaceful nations who needed our help. But now, faced with the development of weapons with immense destructive power, we've no choice but to maintain ready defense forces that are second to none. Yes, the cost is high, but the price of neglect would be infinitely higher.

Another great power in the world sees its military forces in a different light. The Soviet Union has achieved sheer power status only by—or I should say superpower status only by virtue of its military might. It has done so by sacrificing and ignoring achievement in virtually any and every other field.

In contrast, America's strength is the bedrock of the Free World's security, for the freedom we guard is not just our own. But over the past years we began to drift dangerously away from what was so clearly our responsibility. From 1970 to 1979, our defense spending, in constant dollars, decreased by 22 percent. The Navy, so vital to protecting our interests in faraway troublespots, shrank—as you've been told by the Secretary—from more than a thousand ships to 453.

Potential adversaries saw this unilateral disarmament, which was matched in all the other services, as a sign of weakness and a lack of will necessary to protect our way of life. While we talked of détente, the lessening of tensions in the world, the Soviet Union embarked on a massive program of militarization. Since around 1965, they have increased their military spending, nearly doubling it over the past 15 years.

In a free society such as ours, where differing viewpoints are permitted, there will be people who oppose defense spending of any kind at any level. There are others who believe in defense, but who mistakenly feel that the Department of Defense is inherently wasteful and unconcerned about cost cutting. Well, they're dead wrong.

Waste in government spending of any kind is an ever-present threat. But I can assure our fellow citizens there is no room for waste in our national defense. A dollar wasted is a dollar lost in the crucial effort to build a safer future for our people. Secretary Weinberger and the members of this administration are committed to spending what is necessary for defense to secure the peace and not a penny more. As the recommissioning of this ship demonstrates, we are rearming with prudence, using existing assets to the fullest.

To those who've been led to believe that we've gone overboard on national security needs and are spending a disproportionate share on the military, let me state: This is not true.

In spite of all the sound and fury that we hear and read, defense spending as a percentage of gross national product is well below what it was in the Eisenhower and Kennedy years. The simple fact is that, by reforming defense procurement, by stressing efficiencies and economies in weapons system production, we have been able to structure and fund a defense program our nation can afford. It meets the threat, and it provides wages and benefits that are more akin to what our men and women in uniform deserve.

Already, we're realizing tremendous dividends from our defense program. The

readiness of our forces is dramatically improved. As you've just been told, we're more than meeting our recruitment goals. And we've had congressional support for such key initiatives as the purchase of two aircraft carriers, the B–1 bomber, and the C–5 transport plane.

As a nation, we're committed to take every step to substantially reduce the possibility of nuclear war, while providing an unshakable deterrent to such a war for ourselves and our allies. To this end, we're closing the window of vulnerability by instituting a comprehensive strategic force modernization program.

But while we do this, we're advancing vigorous arms control proposals aimed at deep and verifiable reductions in strategic nuclear missiles. We have proposed that intermediate-range nuclear missiles in Europe be reduced to zero on both sides at the same time we cut conventional forces in Europe to balanced levels. And I may say, the news is encouraging. The Soviet Union has met us halfway on the zero option. They've agreed to zero on our part. [*Laughter*]

We can't shut our eyes to the fact that, as the Soviet military power increased, so did their willingness to embark on military adventures. The scars are plainly evident in a number of Third World countries. We're also aware that, though the Soviet Union is historically a land power—virtually self-sufficient in mineral and energy resources and land-linked to Europe and the vast stretches of Asia—it has created a powerful, blue-ocean navy that cannot be justified by any legitimate defense need. It is a navy built for offensive action, to cut the Free World's supply lines and render impossible the support, by sea, of Free World allies.

By contrast, the United States is a naval power by necessity, critically dependent on the transoceanic import of vital strategic materials. Over 90 percent of our commerce between the continents moves in ships. Freedom to use the seas is our nation's lifeblood. For that reason, our Navy is designed to keep the sealanes open worldwide, a far greater task than closing those sealanes at strategic choke-points.

Maritime superiority for us is a necessity. We must be able in time of emergency to venture in harm's way, controlling air, surface, and subsurface areas to assure access to all the oceans of the world. Failure to do so will leave the credibility of our conventional defense forces in doubt.

We are, as I said, building a 600-ship fleet, including 15 carrier battle groups. But numbers are not the final test. Those ships must be highly capable.

The *New Jersey* and her sister ships can outgun and outclass any rival platform. This 58,000-ton ship, whose armor alone weighs more than our largest cruiser, is being recommissioned at no more than the cost of a new 4,000-ton frigate. The "Big J" is being reactivated with the latest in missile electronic warfare and communications technology. She's more than the best means of quickly adding real firepower to our Navy; she's a shining example of how this administration will rebuild America's Armed Forces on budget and on schedule and with the maximum cost-effective application of high technology to existing assets.

The *New Jersey*'s mission is to conduct prompt and sustained operations worldwide, in support of our national interests. In some cases, deployment of the *New Jersey* will free up our overstressed aircraft carriers for other uses. While the aircraft carrier remains the foundation of American naval power, the battleship will today be the sovereign of the seas. In support of amphibious operations, the *New Jersey*'s 16-inch guns can deliver shells as heavy as an automobile with pinpoint accuracy. And with a speed of 35 knots, the *New Jersey* will be among the fastest ships afloat.

History tells us that a delegate to the Continental Congress called the creation of our Navy "the maddest idea in the world." Well, we've been questioned for bringing back this battleship. Yet, I would challenge anyone who's been aboard or even seen the *New Jersey* to argue its value. It seems odd and a little ironic to me that some of the same critics who accuse us of chasing technology and gold-plating our weapons systems have led the charge against the superbly cost-effective and maintainable *New Jersey*. I doubt if there's a better example of the cost-consciousness of this administration than the magnificent ship that we're recom-

missioning today.

However, even with maximum efficiency and an eye toward making every dollar count, we must not fool ourselves. Providing an adequate defense is not cheap. The price of peace is always high, but considering the alternative, it's worth it.

Teddy Roosevelt said it well. "We Americans have many grave problems to solve, many threatening evils to fight, and many deeds to do if, as we hope and believe, we have the wisdom, the strength, the courage and the virtue to do them. But we must face facts as they are. Our nation is that one among all nations of the Earth which holds in its hands the fate of the coming years."

Today, I'd like to take this opportunity to thank all of those who worked on the *New Jersey*. You're a great team, and you did an outstanding job in putting her back into fighting trim. You represent a new spirit, a new sense of responsibility that we must have in all our shipyards and defense-related industries if public support for our vital task is to be maintained.

This ship, as the Secretary told us, was brought in on time and on budget. And from all reports, the craftsmanship and professionalism of those involved in the project were superior, and I'm pleased to have the opportunity to extend the thanks of a grateful nation.

The *New Jersey,* like any ship in our fleet, will depend on the ability, dedication, and, yes, patriotism of you here who are her crew. You're the elite. Six thousand applied for 1,500 crew spaces on the *New Jersey.* I have no doubt, too, that from among your ranks will come the Spruances and the Halseys and the Thompsons of tomorrow.

A few moments ago I quoted Teddy Roosevelt. Most people remember him as a man of strength and vitality, and, yes, some have an image of a warlike man always spoiling for a fight. Well, let us remember, he won the Nobel Peace Prize, an honor bestowed upon him for his courageous and energetic efforts to end the Russo-Japanese war. He knew the relationship between peace and strength. And he knew the importance of a strong navy.

"The Navy of the United States," he said, "is the right arm of the United States and is emphatically the peacemaker. Woe to our country if we permit that right arm to become palsied or even to become flabby and inefficient."

Well, the *New Jersey* today becomes our 514th ship and represents our determination to rebuild the strength of America's right arm so that we can preserve the peace.

After valiant service in Vietnam and after saving the lives of countless marines, the *New Jersey* was decommissioned in 1969. During that solemn ceremony, her last commanding officer, Captain Robert Penniston, spoke prophetically when he suggested that this mighty ship "Rest well, yet sleep lightly, and hear the call, if again sounded, to provide firepower for freedom."

Well, the call has been sounded. America needs the battleship once again to provide firepower for the defense of freedom and, above all, to maintain the peace. She will truly fulfill her mission if her firepower never has to be used.

Captain Fogarty, I hereby place the United States Ship *New Jersey* in commission.

God bless, and Godspeed.

Note: The President spoke at 1:10 p.m. on the deck of the New Jersey, *which was berthed at the Long Beach Naval Shipyard. He was introduced by Secretary of the Navy John Lehman.*

Following his remarks, the President was given a tour of the ship by Capt. William M. Fogarty, Jr., USN, and then he attended a reception in the captain's quarters. The President then returned to Los Angeles, where he remained overnight.

Question-and-Answer Session With Reporters on Arrival in Palm Springs, California
December 29, 1982

The President. I just thought since—I'd come over and say "Happy New Year."

Q. Did you agree with the arms negotiator that there's a 50-50 chance that we could get an agreement with the Soviets in 1983?

The President. Well, I haven't heard that, but I know that, from our talking with them, they feel that the Soviets are really negotiating in good earnest. So, we're a little optimistic.

Q. How about the low growth rate with the economy next year? All of your people seem to be saying it's not going to be so great. What is your feeling?

The President. Well, we're always trying to be the most conservative so that you won't write—[*laughing*]—that we were too optimistic. But I've been looking at some of the gentlemen who are being quoted in the business world, and there seems to be a wide disparity—well, wide in a matter of a few points, but as to whether it will be as low as some of us have said, or whether we're going to see an extra spurt, so——

Q. What is your opinion?

The President. Well, my opinion is that, really, no matter how much they may use the dignified words of projection, there's an awful lot of element of guesswork in all of this.

Q. Mr. President, have you got any words or opinions or views about the riots that have been taking place in Miami?

The President. Well, wherever they're taking place—there or in Washington or anyplace else—I just don't think there's any room for that, for violence in the streets.

Q. You haven't been in contact with the State of Florida?

The President. No, no, I have a direct——

Mr. Deaver. The White House has been.

The President. The White House has.

Q. Thank you very much.

Q. A very Happy New Year. Do you have a New Year's resolution?

Mrs. Reagan. I do.

Q. What is it?

Mrs. Reagan. I'm not going to get in the sun anymore. [*Laughter*]

Note: The exchange began at 4:15 p.m. at Palm Springs Municipal Airport, following the President's trip from Los Angeles.

Following his remarks, the President and Mrs. Reagan went to the home of Walter and Lenore Annenberg, where they stayed during their visit to Palm Springs.

Michael K. Deaver is Deputy Chief of Staff and Assistant to the President.

Proclamation 5008—National Closed-Captioned Television Month
December 29, 1982

By the President of the United States of America

A Proclamation

Nothing is more important to the welfare and progress of the United States than the assurance that all its people are afforded equality of opportunities. Our Nation's commitment to open new doors of opportunity for people in all walks of life has guided the growth of our Nation and stands as a measure of its greatness.

The realization of our high hopes for a better America can be gauged by our ability to bring the handicapped of our Nation into the mainstream of society. The recent initiation in March 1980 of closed-captioned television, which opened this important communications medium to millions of deaf and hearing-impaired Americans, is a significant achievement toward this end. The development of closed-captioned television

marks the culmination of many years of cooperative effort by government, private industry and non-profit groups. It is breaking down historic communications barriers and opening new social, educational and vocational opportunities for the hearing-impaired.

In recognition of the invaluable service performed by closed-captioned television, and in order to call public attention to the contribution that it is making toward enriching the lives of millions of Americans, the Congress has, by joint resolution, requested that the President designate the month of December 1982 as "National Closed-Captioned Television Month."

Now, Therefore, I, Ronald Reagan, President of the United States of America, do hereby designate the month of December 1982 as National Closed-Captioned Television Month.

In Witness Whereof, I have hereunto set my hand this twenty-ninth day of December, in the year of our Lord nineteen hundred and eighty-two, and of the Independence of the United States of America the two hundred and seventh.

RONALD REAGAN

[*Filed with the Office of the Federal Register, 10:19 a.m., December 30, 1982*]

Statement on the Withholding of United States Funds From the Law of the Sea Preparatory Commission

December 30, 1982

On December 3 the United Nations General Assembly passed a resolution that would, among other things, finance the Preparatory Commission under the Law of the Sea treaty from the regular U.N. budget.

My administration has fought hard to uphold fiscal responsibility in the United Nations system and, in this case, consistently opposed this financing scheme. It is not a proper expense of the United Nations within the meaning of its own Charter, as the Law of the Sea Preparatory Commission is legally independent of and distinct from the U.N. It is not a U.N. subsidiary organ and not answerable to that body. Membership in the U.N. does not obligate a member to finance or otherwise support this Law of the Sea organization.

Moreover, these funds are destined to finance the very aspects of the Law of the Sea treaty that are unacceptable to the United States and that have resulted in our decision, as I announced on July 9, 1982, not to sign that treaty. The Preparatory Commission is called upon to develop rules and regulations for the seabed mining regime under the treaty. It has no authority to change the damaging provisions and precedents in that part of the treaty. For that reason, the United States is not participating in the Commission.

My administration has conducted a review of the financing scheme for this Commission. That review has confirmed that it is an improper assessment under the U.N. Charter that is not legally binding upon members. It is also adverse to the interests of the United States. While the United States normally pays 25 percent of the regular U.N. budget, the United States is opposed to improper assessments and is determined to resist such abuses of the U.N. budget.

In this light, I have decided that the United States will withhold its *pro rata* share of the cost to the United Nations budget of funding the Preparatory Commission.

Appointment of Two Members of the Board of Visitors of the United States Air Force Academy
December 30, 1982

The President today announced his intention to appoint the following individuals to be members of the Board of Visitors of the United States Air Force Academy for terms expiring December 30, 1985:

Julian Martin Niemczyk will succeed Robert List. Mr. Niemczyk is chairman, executive committee, of People to People, International, a private sector activity founded by President Eisenhower in 1956. He was director, Reagan-Bush Nationalities Division, in 1980, and was associated with the Republican National Committee's heritage groups division in 1972–1981. Mr. Niemczyk was Deputy Director, Long Range Plans, Policy Plans and National Security Council Affairs, Office of the Secretary of Defense, in 1971. He served as colonel in the United States Air Force, retiring in 1971. He graduated from the University of the Philippines, Manila, in 1956. Mr. Niemczyk is married and resides in Annandale, Va. He was born August 26, 1920, in Fort Sill, Okla.

Lynda Smith will succeed Wesley W. Posvar. Mrs. Smith is a member of the University of Colorado Medical Center Advisory Committee. She is also a volunteer counselor, Penrose Hospital, Colorado Springs, Colo. Since 1970 Mrs. Smith has served as a sponsor of the U.S. Air Force Academy Cadet Squadron. She graduated from the University of Texas (1962). She is married, has three children, and resides in Colorado Springs, Colo. She was born August 1, 1940, in Tyler, Tex.

Appointment of Two Members of the Board of Visitors of the United States Military Academy
December 30, 1982

The President today announced his intention to appoint the following individuals to be members of the Board of Visitors to the United States Military Academy for terms expiring December 30, 1985:

Garrison Davidson will succeed William P. Lemmond, Jr. Mr. Davidson is lieutenant general, U.S. Army, retired. He was Superintendent of the U.S. Military Academy in 1956–1960, and served as head football coach in 1933–1937. He served as Commanding General of the 5th Army, West Germany, in 1960–1962 and of the 1st U.S. Army in 1962–1964. He graduated from the United States Military Academy (1927). He is married, has six children, and was born April 24, 1904, in New York City.

Matilda L. H. Forbes will succeed Harry W. Low. Miss Forbes is a captain, U.S. Army Reserves, Oakland Army Base, Oakland, Calif. She was manager, Command Computer System, U.S. Army, San Francisco, in 1980–1981. She graduated from San Francisco State College (1969) and California State College (1978). Miss Forbes was born March 22, 1948, in Long Beach, N.Y.

Executive Order 12398—President's Private Sector Survey on Cost Control in the Federal Government
December 31, 1982

By the authority vested in me as President by the Constitution and laws of the United States of America, including the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), and in order to increase the membership and extend the life of the President's Private Sector Survey on Cost Control in the Federal Govern-

ment, it is hereby ordered that Executive Order No. 12369 of June 30, 1982, is amended as follows:

(a) The second sentence of Section 1(a) shall read: "The Committee shall be composed of not more than 170 members appointed by the President from among citizens in private life.".

(b) Section 4(b) shall read: "In accordance with the Federal Advisory Committee Act, as amended, the Committee shall terminate on June 30, 1983, unless sooner extended.".

RONALD REAGAN

The White House,
December 31, 1982.

[*Filed with the Office of the Federal Register, 4:25 p.m., January 3, 1983*]

Executive Order 12399—Continuance of Certain Federal Advisory Committees

December 31, 1982

By the authority vested in me as President by the Constitution and statutes of the United States of America, and in accordance with the provisions of the Federal Advisory Committee Act, as amended (5 U.S.C. App. I), it is hereby ordered as follows:

Section 1. Each advisory committee listed below is continued until September 30, 1984.

(a) Committee for the Preservation of the White House; Executive Order No. 11145, as amended (Department of the Interior).

(b) President's Commission on White House Fellowships; Executive Order No. 11183, as amended (Office of Personnel Management).

(c) President's Committee on the National Medal of Science; Executive Order No. 11287, as amended (National Science Foundation).

(d) President's Council on Physical Fitness and Sports; Executive Order No. 12345, as amended (Department of Health and Human Services).

(e) President's Committee on Mental Retardation; Executive Order No. 11776 (Department of Health and Human Services).

(f) President's Export Council; Executive Order No. 12131 (Department of Commerce).

(g) The International Private Enterprise Task Force; Executive Order No. 12395 (Agency for International Development).

(h) Advisory Committee on Small and Minority Business Ownership; Executive Order No. 12190 (Small Business Administration).

(i) Federal Advisory Council on Occupational Safety and Health; Executive Order No. 12196 (Department of Labor).

(j) President's Committee on the International Labor Organization; Executive Order No. 12216 (Department of Labor).

(k) President's Economic Policy Advisory Board; Executive Order No. 12296 (Office of Policy Development).

(l) National Productivity Advisory Committee; Executive Order No. 12332 (Department of the Treasury).

(m) President's Committee on the Arts and the Humanities; Executive Order No. 12367 (National Endowment for the Arts).

Sec. 2. The following advisory committee is continued until December 31, 1983: President's National Security Telecommunications Advisory Committee; Executive Order No. 12382 (Department of Defense).

Sec. 3. Notwithstanding the provisions of any other Executive Order, the functions of the President under the Federal Advisory Committee Act which are applicable to the committees listed in Sections 1 and 2 of this Order, except that of reporting annually to the Congress, shall be performed by the head of the department or agency designated after each committee, in accordance with guidelines and procedures established by the Administrator of General Services.

Sec. 4. The following Executive Orders,

that established committees which have terminated or whose work is completed, are revoked:

(a) Section 2(d) of Executive Order No. 12039, establishing the Intergovernmental Science, Engineering, and Technology Advisory Panel.

(b) Executive Order No. 12168, establishing the President's Commission for a National Agenda for the Eighties.

(c) Executive Order No. 12202, establishing the Nuclear Safety Oversight Committee.

(d) Executive Order No. 12229, establishing the White House Coal Advisory Council.

(e) Executive Order No. 12303, establishing the Presidential Advisory Committee on Federalism.

(f) Executive Order No. 12308, establishing the Presidential Task Force on the Arts and Humanities.

(g) Executive Order No. 12310, establishing the President's Commission on Housing.

(h) Executive Order No. 12323, establishing the Presidential Commission on Broadcasting to Cuba.

(i) Executive Order No. 12329, establishing the President's Task Force on Private Sector Initiatives.

(j) Executive Order No. 12360, establishing the President's Task Force on Victims of Crime.

(k) Section 1–2 of Executive Order No. 12137, as amended, establishing the Peace Corps Advisory Council.

Sec. 5. Executive Order No. 12258 is superseded.

Sec. 6. This Order shall be effective December 31, 1982.

RONALD REAGAN

The White House,
December 31, 1982.

[*Filed with the Office of the Federal Register, 12:03 p.m., January 4, 1983*]

Appendix A—Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this book.

July 5

The White House announced that U.S. Ambassador to Mexico John A. Gavin would deliver in Mexico City a personal message from the President to President-elect Miguel de la Madrid. The message expressed the President's best wishes and that the term of President-elect de la Madrid will be a time of greatness and prosperity for Mexico.

The White House announced that the President will meet with President-elect Salvador Jorge Blanco of the Dominican Republic at the White House on July 15.

July 7

The President declared a major disaster for the State of Florida as a result of severe storms and flooding, beginning on June 17, which caused extensive property damage.

July 8

The White House announced that the President has invited President Roberto Suazo Córdova of Honduras to make an official working visit to Washington on July 13–15. President Suazo has accepted the invitation and will meet with the President on July 14.

July 11

The President returned to the White House from his 11-day vacation in California.

July 12

The President met at the White House with:
—members of the White House staff;
—Secretary of Agriculture John R. Block, to discuss the current status of the agricultural economy;
—the Cabinet Council on Human Resources, to discuss pending legislation on mandatory retirement;
—chief executive officers in the financial community, to discuss tax legislation before the Senate Budget Committee.

The President transmitted to the Congress the 15th annual report of the U.S.-Japan Cooperative Medical Science program covering calendar year 1981.

July 13

The President met at the White House with:
—members of the White House staff;
—bipartisan congressional leaders, to discuss the situation in the Middle East;
—wheelchair athletes.

The President transmitted to the Congress the third biennial National Urban Policy Report.

July 14

The President met at the White House with:
—members of the White House staff;
—the Republican congressional leadership, to discuss foreign policy issues;
—the bipartisan leadership of the House Foreign Affairs Committee.

The White House announced that the President has invited Prime Minister Lee Kuan Yew of Singapore to have lunch with him on July 21. The Prime Minister will be in Washington, D.C., on a private and unofficial visit July 18–22.

July 15

The President met at the White House with:
—members of the White House staff;
—the President's Private Sector Survey on Cost Control in the Federal Government;
—President-elect Salvador Jorge Blanco of the Dominican Republic;
—the Vice President, for lunch;
—Republican members of the House Agriculture Committee;
—the Cabinet, to discuss product liability and grain sales agreements with the Soviet Union.

The President announced that he has directed Secretary of Agriculture John R. Block to declare parts of Texas, New Mexico, and Oklahoma eligible for disaster relief because of widespread crop damage caused by hail, heavy rainfall, high winds, and unusually cold weather in May and June. This relief will enable farmers in the 76 counties affected to receive disaster payments for cotton, wheat, and feedgrains, as well as special assistance for soil conservation.

July 16

The President met at the White House with:
—members of the White House staff;
—Archbishop John Roach, president of the National Conference of Catholic Bishops/U.S.

Catholic Conference, and Monsignor Daniel Hoye;
—the National Security Council;
—the 1981–82 class of White House fellows;
—Governors James Thompson of Illinois, Richard Thornburgh of Pennsylvania, Robert List of Nevada, and William Janklow of South Dakota, to discuss measures they have taken against crime in their States.

The President requested Congress to provide an additional $30 million in fiscal year 1982 for emergency relief assistance to Lebanon. This is in addition to the $20 million that was requested by the President on June 16 and the $15 million that has been made available for food, shelter, medicines, and other critically needed relief supplies.

The White House announced that the President will meet on July 20 with an Arab League delegation visiting Washington, D.C., to discuss the situation in Lebanon. The delegation is composed of the Deputy Prime Minister and Minister of Foreign Affairs of Syria, 'Abd al-Halim Khaddam, and the Minister of Foreign Affairs of Saudi Arabia, Prince Sa'ud al-Faysal.

The President left the White House for a weekend stay at Camp David, Md.

July 19

The President returned to the White House from Camp David, Md.

The President met at the White House with:
—members of the White House staff;
—the National Security Council.

July 20

The President met at the White House with:
—members of the White House staff;
—Prince Sa'ud al-Faysal, Minister of Foreign Affairs of Saudi Arabia, 'Abd al-Halim Khaddam, Deputy Prime Minister and Minister of Foreign Affairs of Syria, Saudi Arabian Ambassador to the United States Sheikh Faisal Alhegelan, Syrian Ambassador to the United States Rafic Jouejati, the Vice President, Secretary of State George P. Shultz, and administration officials, to discuss the situation in Lebanon;
—the Cabinet;
—Representative Trent Lott of Mississippi and House Republican Whips.

The President transmitted to the Congress the 1981 annual report on the Administration of the Radiation Control for Health and Safety Act and the third annual report on the Status of the Weatherization Assistance program.

July 21

The President met at the White House with:
—members of the White House staff;
—the National Security Council;
—Prime Minister Lee Kuan Yew of Singapore, for lunch.

July 22

The President met at the White House with members of the White House staff.

The President left the White House for an overnight stay in St. Louis, Mo.

The White House announced that the President will meet with Gen. Mohammad Jusuf, Minister of Defense and Security of Indonesia, on July 26.

The President telephoned Mrs. Joseph Kennedy to extend congratulations on her 92d birthday.

The President declared a major disaster for the State of Colorado as a result of flash flooding beginning on July 15, which caused extensive property damage.

July 23

The President met at the White House with Edwin Meese III, Counsellor to the President, to offer his personal condolences over the death of Mr. Meese's son Scott.

The President accorded the personal rank of Ambassador to John W. McDonald, Jr., in his capacity as Vice Chairman of the U.S. Delegation to the United Nations World Assembly on Aging to be held in Vienna, Austria, from July 26 to August 6.

The President left the White House for a weekend stay at Camp David, Md.

July 25

The President returned to the White House from Camp David, Md.

July 26

The President met at the White House with:
—members of the White House staff;
—Gen. Mohammad Jusuf, Minister of Defense and Security of Indonesia;
—chief executive officers of corporations and associations, to discuss the private sector initiatives program.

The President attended funeral services for Scott R. Meese, younger son of Counsellor to the President Edwin Meese III, at Emmanual Lutheran Church in Vienna, Va.

The President transmitted to the Congress the 13th annual report of the independent National Corporation for Housing Partnerships and the National Housing Partnership.

The President announced his approval of a recommendation from Robert O. Harris, Chairman of the National Mediation Board, to extend the reporting deadline of Emergency Board No. 194 to August 19. This Board was created by Executive Order 12370 of July 8, 1982, its purpose being to investigate a dispute between the Broth-

erhood of Locomotive Engineers and certain railroads represented by the National Carriers' Conference Committee of the National Railway Labor Conference.

The President accorded the personal rank of Ambassador to James B. Holderman, of South Carolina, in connection with his duties as Alternate Head of the UNESCO second World Conference on Cultural Policies, to be held in Mexico City, Mexico, from July 26 to August 6.

The White House announced that at the request of the President, the Vice President will lead the U.S. delegation to the inauguration of Belisario Betancur Cuartas as President of Colombia on August 6–8. Accompanying the Vice President on the delegation will be U.S. Ambassador to Colombia Thomas D. Boyatt and Senator Robert W. Kasten, Jr., of Wisconsin.

July 27

The President met at the White House with:

—members of the White House staff;

—a bipartisan group of Senators, to discuss the proposed constitutional amendment for a balanced Federal budget.

July 28

The President met at the White House with members of the White House staff.

July 29

The President met at the White House with:

—members of the White House staff;

—George W. Landau, U.S. Ambassador to Venezuela, Arthur H. Davis, Jr., U.S. Ambassador to Paraguay, Robert W. Duemling, U.S. Ambassador to Suriname, Robert H. Phinny, U.S. Ambassador to Swaziland, and Nicholas Platt, U.S. Ambassador to Zambia, prior to their departure for their overseas posts.

In an Oval Office ceremony, the President received diplomatic credentials from Ambassadors Jaroslav Zantovsky of Czechoslovakia, Benjamin Razafintseheno of Madagascar, Bernardus Fourie of South Africa, Soto Harrison of Costa Rica, Jorge Luis Zelaya Coronado of Guatemala, and Humayun Rasheed Choudhury of Bangladesh.

July 30

The President met at the White House with:

—members of the White House staff;

—Deputy Prime Minister and Minister of Foreign Affairs Kamal Hasan 'Ali of Egypt, the Vice President, Secretary of State George P. Shultz, Egyptian Ambassador to the United States Ashraf Ghorbal, and other U.S. and Egyptian officials;

—Republican Members of Congress, to discuss U.S. policy towards China and Taiwan.

The White House made available the mid-session review of the fiscal year 1983 Federal budget.

The President requested the Congress to provide supplemental appropriations totaling $11.8 million in fiscal year 1982 and budget amendments totaling $353 million in fiscal year 1983. Included in these proposals are funds to provide for Federal participation in the 1984 Louisiana World Exposition and funds to cover the cost of increased Coast Guard surveillance of the southeastern coast of the United States as part of an expanded drug interdiction effort.

The President left the White House for a weekend stay at Camp David, Md.

August 2

The President returned to the White House from Camp David, Md.

The President met at the White House with members of the White House staff.

The President left the White House for an overnight stay in Des Moines, Iowa.

August 4

The President met at the White House with:

—members of the White House staff;

—the National Security Council;

—a bipartisan group of Members of the House of Representatives, to discuss strategic arms reduction;

—the Cabinet;

—Republican members of the Senate-House Conference Committee, to discuss Federal tax and budget reconciliation legislation;

—Republican Senate and House leaders, to discuss Federal tax and budget reconciliation legislation.

The President transmitted to the Congress the second annual report, covering calendar year 1981, prepared by the Department of Energy on the Federal coordination of factors and data used in the development of building energy conservation standards, and the fifth report on title VI of the Housing and Community Development Act of 1974 (Manufactured Housing).

The President requested the Congress to provide a $5.5 million supplemental appropriation in fiscal year 1982 for the Bureau of Indian Affairs and budget amendments totaling $3.9 million in fiscal year 1983 for the newly established Property Review Board and for the Merit Systems Protection Board.

The White House announced that the President has invited the Liberian Head of State, Samuel K. Doe, to pay an official working visit to Washington. Mr. Doe has accepted the invitation and will meet with the President on August 25. Following the meeting there will be a

luncheon at the White House with the President and other senior U.S. officials.

August 5

The President met at the White House with:
—members of the White House staff;
—the Cabinet, for a working luncheon;
—Republican members of the House Ways and Means Committee, to discuss Federal tax and budget reconciliation legislation;
—Republican Members of the House of Representatives, to discuss Federal tax and budget reconciliation legislation.

August 6

The President met at the White House with:
—members of the White House staff;
—Republican Members of the House of Representatives, to discuss Federal tax and budget reconciliation legislation;
—the National Security Council, for a working luncheon.

August 9

The President met at the White House with:
—members of the White House staff;
—the National Security Council.

During the day, the President met with groups of Republican Members of the House of Representatives and individual Members to discuss Federal tax and budget reconciliation legislation.

The President met with a bipartisan group of Senators and Members of the House of Representatives to discuss Federal income tax credits for nonpublic school tuition.

The President announced that Lyn Nofziger, his former Assistant for Political Affairs, will assist in the administration's effort to win approval of the Federal tax and budget reconciliation legislation now under consideration in the Congress. Mr. Nofziger will work as an unpaid consultant in charge of coordinating the administration's external relations in support of the measure. He will have offices in the White House and will serve until congressional action on the legislation is completed.

The President accorded the personal rank of Ambassador to James M. Beggs in his capacity as U.S. Representative to the second United Nations Conference on the Exploration and Peaceful Uses of Outer Space, scheduled for August 9–21 in Vienna, Austria.

The White House announced that the official working visit of the Liberian Head of State, Samuel K. Doe, which had been scheduled for August 25, has been rescheduled for August 17.

August 10

The President met at the White House with:
—members of the White House staff;
—the Republican congressional leadership;
—Lee Iacocca, chairman of Chrysler Corp.;
—Paul Thayer, chairman of the executive board of the U.S. Chamber of Commerce;
—Shimon Peres, leader of the Israeli Labor Party;
—the Cabinet, to discuss Federal tax and budget reconciliation legislation.

During the day, the President met with groups of Republican Members of the House of Representatives and individual Members to discuss Federal tax and budget reconciliation legislation.

The White House announced that the President has invited President Mohammad Zia-ul-Haq of Pakistan to make a state visit to the United States. President Zia has accepted and will meet with the President at the White House on December 7.

The President designated Haldane Robert Mayer as Acting Special Counsel of the Merit Systems Protection Board. He replaces Alex Kozinski, who has been nominated to be a Judge of the U.S. Claims Court.

August 11

The President left the White House in the morning for a trip to Billings, Mont.

The President transmitted to the Congress the fiscal year 1980 annual report on Mine Safety and Health Activities as submitted by the Secretary of Labor.

August 12

The President met at the White House with:
—members of the White House staff;
—the Vice President, for lunch.

During the day, the President met with groups of Republican Members of the House of Representatives and individual Members to discuss Federal tax and budget reconciliation legislation.

August 13

The President met at the White House with members of the White House staff.

During the day, the President met with groups of Republican Members of the House of Representatives and individual Members to discuss Federal tax and budget reconciliation legislation.

The President left the White House for a weekend stay at Camp David, Md.

August 14

The President held a luncheon meeting with Secretary of State George P. Shultz and senior administration officials at Camp David, Md.

The White House announced that the President has chosen the following delegation to represent him at the inauguration of His Excellency Salvador Jorge Blanco as President of the Dominican Republic. These ceremonies are scheduled to be held at Santo Domingo on August 15–16.

Ellsworth Bunker, of Washington, D.C., will head the delegation;

Robert Anderson, U.S. Ambassador to the Dominican Republic;

Representative Mickey Edwards of Oklahoma;

Ambassador J. William Middendorf II, Permanent Representative of the United States to the Organization of American States;

Thomas O. Enders, Assistant Secretary of State for Inter-American Affairs;

Otto J. Reich, Assistant Administrator of the Agency for International Development;

Weston Adams, member, United States National Committee for UNESCO, Columbia, S.C.;

Edwin W. Thomas, Regional Administrator, General Services Administration, Walnut Creek, Calif.;

John Ellis Bush, president, IntrAmerica Investments, Inc., Miami, Fla.;

Michael Cardenas, CPA/financial consultant, Fresno, Calif.;

William C. Doherty, executive director, American Institute for Free Labor, Washington, D.C.; and

James P. Regan, of Beverly Hills, Calif.

August 15

The President met with a group of Republican Members of the House of Representatives at Camp David, Md.

The President returned to the White House from Camp David.

August 16

The President met at the White House with members of the White House staff.

During the morning and early afternoon, the President met at the White House with Republican Members of the House of Representatives to discuss Federal tax and budget reconciliation legislation.

August 17

The President greeted members of the public who were touring the White House.

The President met at the White House with members of the White House staff.

During the day, the President met with Republican Members of the House of Representatives to discuss Federal tax and budget reconciliation legislation.

The President requested the Congress to provide transfer authority and appropriation language for the Department of Justice in fiscal year 1982, amended appropriation language for the Department of Agriculture and the Department of Health and Human Services, and offsetting budget amendments and appropriation language for the Department of Transportation in fiscal year 1983. He also transmitted a request by the legislative branch to increase 1983 appropriations by $4.5 million. By law, legislative branch requests are transmitted without change.

August 18

The President met at the White House with:

—members of the White House staff;

—Republican congressional leaders;

—members of the Deficit Reduction Action Group;

—former Secretary of the Treasury William E. Simon.

During the day, the President met with groups of Members of the House of Representatives and individual Members to discuss Federal tax and budget reconciliation legislation.

The White House announced that the President has invited President Vigdis Finnbogadóttir of Iceland to make an official working visit to Washington. President Finnbogadóttir has accepted the invitation and will meet with President Reagan at the White House on September 8. Following their meeting, President Reagan will host a luncheon in honor of President Finnbogadóttir and other Nordic chiefs of state or their representatives who will be in Washington, D.C., for the opening that day of the Scandinavia Today program.

August 19

The President met at the White House with members of the White House staff.

During the day, the President met with Members of the House of Representatives to discuss Federal tax and budget reconciliation legislation.

The President declared an emergency for the State of Washington because of the threat of flooding from Spirit Lake. The President's action will permit Federal assistance to avert or alleviate the threatened flooding.

August 20

The President met at the White House with:

—members of the White House staff;

—the bipartisan congressional leadership, to discuss the deployment of U.S. forces in Beirut, Lebanon.

The President and Mrs. Reagan left the White House for a trip to Phoenix, Ariz., where they remained overnight at the home of Mrs. Reagan's mother, Mrs. Loyal Davis.

August 21

The President and Mrs. Reagan left Phoenix, Ariz., and went to Rancho del Cielo, their ranch near Santa Barbara, Calif.

August 24

The President met during the day with members of the White House staff at the Beverly Wilshire Hotel in Beverly Hills, Calif.

In the afternoon, the President went to the Los Angeles office of Dr. Howard House for a routine ear examination.

Following dinner at a private residence, the President returned to the Beverly Wilshire Hotel, where he remained overnight.

The President transmitted to the Congress the 1981 annual report of the Federal Council on the Aging and the seventh annual report of the Nuclear Regulatory Commission.

August 25

In the morning, the President left the Beverly Wilshire Hotel in Beverly Hills, Calif., and went to Rancho del Cielo, his ranch near Santa Barbara.

The President declared a major disaster for the State of Tennessee as a result of severe storms and flooding beginning on August 16, which caused extensive property damage.

The White House announced that the President has appointed Secretary of State George P. Shultz and Gen. John W. Vessey, Jr., Chairman of the Joint Chiefs of Staff, as Governors of the American National Red Cross.

August 27

The President declared a major disaster for the State of Missouri as a result of severe storms and flooding beginning on August 12, which caused extensive property damage.

August 30

William A. Wilson, Personal Representative of the President to the Holy See, and Mrs. Wilson were guests of the President and Mrs. Reagan at Rancho del Cielo, their ranch near Santa Barbara, Calif.

The White House announced that the President has designated Loretta Cornelius, Deputy Director of the Office of Personnel Management, as Chairman of the Government Red Cross Blood Program for the Metropolitan Washington area.

September 1

The President transmitted to the Congress the fiscal year 1981 annual report of the Rehabilitation Services Administration, Department of Education.

September 3

The White House announced that the President has invited President Ferdinand E. Marcos of the Philippines and Mrs. Marcos to make a state visit to the United States. President and Mrs. Marcos have accepted the invitation and will begin their visit September 15. The two Presidents will meet at the White House on September 16. President Marcos also will meet with Cabinet officers, Members of Congress, and representatives of the private sector during his visit. The visit by President and Mrs. Marcos reflects the traditionally close and friendly ties between the United States and the Philippines.

September 6

The White House announced that the President expressed sorrow and sadness on being informed of the death of former Congressman Keith Sebilius of the First District of Kansas. The President will communicate privately with the Sebilius family.

September 7

The President returned to the White House following his trip to California.

September 8

The President met at the White House with:

—members of the White House staff;

—Secretary of the Treasury Donald T. Regan, to discuss the international economic situation;

—members of the President's Economic Policy Advisory Board;

—a bipartisan group of Representatives, to discuss the proposed constitutional amendment for a balanced Federal budget.

In a ceremony in the Oval Office, the President received diplomatic credentials from Ambassadors Benjamin T. Romualdez of the Philippines, Alejandro Vegh Villegas of Uruguay, Robert Carrington Cotton of Australia, A. Hasnan Habib of Indonesia, Lamin Abdou Mbye of The Gambia, Leonardo Charles de Zaffiri Duarte Mathias of Portugal, and Oliver Wright of the United Kingdom.

The President transmitted to the Speaker of the House and the President of the Senate the seventh annual report on Federal agencies implementation of the Privacy Act of 1974.

September 9

The President left the White House for a trip to Kansas and Utah.

September 10

Following his trip to Kansas and Utah, the President went to Camp David, Md., for the weekend.

The President telephoned Col. James Mead, Commanding Officer of the U.S. Marines who participated in the multinational force in Lebanon. Colonel Mead was aboard the U.S.S. *Guam*, an amphibious ship located in the Eastern Mediterranean. The President thanked the colonel and the marines on behalf of the American people for their participation in the force.

September 12

The President returned to the White House following a weekend stay at Camp David, Md.

September 13

The President met at the White House with:

—members of the White House staff;

—members of the Joint Chiefs of Staff;
—the Cabinet, to discuss the Combined Federal Campaign and international economics.

September 14

The President met at the White House with:
—members of the White House staff;
—Senators Robert Dole of Kansas, Daniel P. Moynihan of New York, Bob Packwood of Oregon, and William V. Roth, Jr., of Delaware, and a group of administration officials, to discuss the tuition tax credit legislation;
—a group of chief executive officers of major trade associations, to discuss private sector initiatives;
—Members of Congress and representatives of the textile industry;
—the White House fellows.

In the early evening, the President and Mrs. Reagan hosted a reception at the White House prior to the Washington Charity Dinner.

The President transmitted to the Congress the following annual reports:
—the third annual report of the Federal Labor Relations Authority, covering fiscal year 1981;
—the fourth and fifth annual reports on the status of health information and health promotion, based on the periods June 1980 through June 1981, and June 1981 through June 1982, respectively;
—the 11th annual report on the administration of the Federal Railroad Safety Act of 1970, covering calendar year 1981; and
—the annual report of the National Endowment for the Arts and the National Council on the Arts for fiscal year 1981.

The President designated David R. Scott as Acting Director of the Office of Government Ethics.

The White House announced that at the invitation of the President, the Queen of England and the Duke of Edinburgh will pay an official visit to the United States from February 26 to March 7, 1983.

September 15

The President met at the White House with:
—members of the White House staff;
—Republican congressional leaders, to discuss the situation in Lebanon and legislative priorities;
—Assistant to the President for National Security Affairs William P. Clark and U.S. Ambassador to Lebanon Robert S. Dillon, to discuss the situation in Lebanon;
—Bill Murphy, president of the National Association of Counties;
—Mayors George Voinovich of Cleveland, Ohio, Coleman Young of Detroit, Mich., Richard Caliguiri of Pittsburgh, Pa., Margaret Hance of Phoenix, Ariz., Lee Alexander of Syracuse, N.Y., Joseph Riley of Charleston, S.C., and Robert Martinez of Tampa, Fla.;
—C. William Verity, Jr., Chairman of the President's Task Force on Private Sector Initiatives;
—Secretary of State George P. Shultz and Assistant to the President for National Security Affairs William P. Clark, to discuss the situation in Lebanon and other matters.

September 16

The President met at the White House with members of the White House staff.

September 17

The President met at the White House with members of the White House staff.

In the afternoon, the President left the White House for a trip to New Jersey and returned to Washington in the evening.

The President transmitted to the Congress the second annual report on activities undertaken by the U.S. Synthetic Fuels Corporation and the Department of Energy to implement the development of synthetic fuels under the Defense Production Act of 1950, as amended.

The President transmitted to the Congress the second annual report of the Department of Education, covering fiscal year 1981.

September 18–19

The President met at the White House with his foreign policy and national security advisers to discuss the situation in Lebanon.

September 20

The President met at the White House with:
—a group of Presidential appointees for a breakfast meeting;
—his senior foreign policy advisers, including the Vice President, Secretary of State George P. Shultz, Secretary of Defense Caspar W. Weinberger, Ambassador Philip C. Habib, the President's emissary in consultations in the Middle East, Assistant to the President for National Security Affairs William P. Clark, Deputy Assistant to the President for National Security Affairs Robert C. McFarlane, Counsellor to the President Edwin Meese III, and Assistant to the President Michael K. Deaver, to discuss the situation in Lebanon;
—officials of the Overseas Private Investment Corporation, who presented the President with a $50 million check for the U.S. Treas-

ury from the record profits of the Corporation;
—the Cabinet, to discuss legislative matters;
—Lanette Butler, a first grade student from Riverside, Calif., who is the 1982 poster child of the National Association for Sickle Cell Disease, Inc.

Prior to his meeting with the Cabinet, the President met with Secretary of Transportation Drew L. Lewis, who reported on his consultations with Members of Congress concerning the railroad labor dispute. The President instructed Secretary Lewis to recommend to the Congress a bipartisan joint resolution implementing the recommendations of the Emergency Board, appointed last July under the provisions of the Railway Labor Act, for the duration of the contract, which is through June 1984.

September 21

The President met at the White House with:
—members of the White House staff, including Assistant to the President for National Security Affairs William P. Clark, who discussed with the President the situation in Lebanon;
—chief executive officers of 12 aerospace firms;
—State presidents and members of the executive committee of the United States Jaycees.

The White House announced that the President has accorded the personal rank of Ambassador to Michael R. Gardner in his capacity as Chairman of the U.S. Delegation to the Plenipotentiary Conference of the International Telecommunication Union, scheduled to convene in Nairobi, Kenya, from September 28 to November 5.

The White House announced that the President has accorded the personal rank of Ambassador to Herbert B. Thompson while serving as Head of the U.S. Delegation to the meeting of the Inter-American Council for Education, Science, and Culture (CIECC), scheduled to be held at Santo Domingo, Dominican Republic, from September 23–September 30.

September 22

The President met at the White House with:
—members of the White House staff;
—the National Security Council;
—Carlton E. Turner, Director of the Drug Abuse Policy Office, Office of Policy Development.

As honorary chairman of the Boys Clubs of America, the President presented the 1982 National Boy of the Year Award to Edward Alameda, 16, a high school student from Tucson, Ariz. In the Roosevelt Room ceremony, the President met with representatives of the organization and the four runners-up for the award.

The White House announced that the President has invited President Ricardo de la Espriella of Panama to the White House for a working visit. President de la Espriella has accepted the invitation and will meet with President Reagan on October 1 to discuss issues of mutual interest.

The White House announced that the President has asked the Congress to provide $323.5 million to enable the Federal Aviation Administration to begin modernizing the National Air Space System and $15 million for the Department of Labor to hire additional coal mine inspection personnel.

September 23

The President met at the White House with:
—members of the White House staff;
—Rev. Leon Sullivan, head of the Opportunities Industrialization Centers of America, Inc., who reported to the President on "Hire One," a program which requests businesses to hire one disadvantaged, unemployed youth;
—the Cabinet Council on Economic Affairs, for an update on the current status of the economy presented by Martin Feldstein, Chairman-designate of the Council of Economic Advisers;
—chief executive officers of major New York corporations, who reported to the President on their accomplishments in the summer jobs program in New York.

In the evening, the President went to the State Department for a reception honoring Walter J. Stoessel, Jr., who is leaving his position as Deputy Secretary of State.

The President declared a major disaster for the State of Tennessee as a result of severe storms and flooding beginning on September 12, which caused extensive property damage.

September 24

The President met at the White House with:
—members of the White House staff;
—James M. Rentschler, U.S. Ambassador to Malta, Henry Allen Holmes, U.S. Ambassador to Portugal, Peter D. Constable, U.S. Ambassador to Zaire, and David J. Fischer, U.S. Ambassador to the Seychelles, prior to their departure for their overseas posts.

In a ceremony in the Oval Office, the President received diplomatic credentials from Ambassadors Christian Lingama-Toleque of the Central African Republic, Layachi Yaker of Algeria, Nuno Aguirre de Carcer of Spain, Carlos Despradel Rogues of the Dominican Republic, and Lucio Garcia del Solar of Argentina.

September 25

Early in the evening, the President and Mrs. Reagan hosted a reception for the artists appearing at the "Festival at Ford's Theatre" and the sponsors contributing to the theatre through the festival.

September 27

Throughout the day, the President met at the White House with members of the White House staff.

The White House announced that the President has invited President-elect Miguel de la Madrid of Mexico to an informal meeting. The Mexican leader has accepted the invitation and will have a private meeting with the President in San Diego, Calif., on October 8. President-elect de la Madrid will be inaugurated on December 1.

The White House announced that the President has invited President and Mrs. Soeharto of Indonesia to make a state visit to Washington. President and Mrs. Soeharto have accepted the invitation and will meet with the President at the White House on October 12. President Soeharto also will meet with senior U.S. officials during the visit. President and Mrs. Soeharto will arrive in the United States on October 10 and depart on October 15.

The White House announced that the President has invited Prime Minister Giovanni Spadolini of Italy to make an official working visit to Washington. The Prime Minister has accepted the invitation and will meet with the President at the White House on November 3. The Prime Minister also will meet with Secretary of State George P. Shultz and other senior U.S. officials during his visit on November 3–4. The President and the Prime Minister have previously met at the Ottawa and Versailles economic summits, the NATO summit in Bonn, and in Rome during the President's visit to Italy last June.

The White House announced that the President has invited President Fernando Belaúnde Terry of Peru to make a state visit to the United States. President Belaúnde Terry has accepted the invitation and will meet with the President at the White House on November 9.

The White House announced that in accordance with the requirements of section 657 of the Department of Energy Organization Act, the President transmitted to the Congress the fourth annual report of the Department of Energy.

September 28

Throughout the day, the President met at the White House with members of the White House staff.

September 29

The President met at the White House with members of the White House staff.

The President declared a major disaster for the State of Kentucky as a result of severe storms and flooding beginning on September 14, which caused extensive property damage.

September 30

The President met at the White House with:

—members of the White House staff;

—the National Security Council;

—Governors Scott M. Matheson of Utah, Bruce E. Babbit of Arizona, Richard A. Snelling of Vermont, and Joseph E. Brennan of Maine, and a group of State legislators and local officials, to discuss the federalism initiative;

—the Cabinet Council on Legal Policy, to discuss drug abuse and women's issues;

—Everett Ellis Briggs, U.S. Ambassador to Panama, and John Blane, U.S. Ambassador to Rwanda, prior to their departure for their overseas posts;

—members of the Presidential Commission on Broadcasting to Cuba.

October 1

The President met at the White House with:

—members of the White House staff;

—President Ricardo de la Espriella of Panama.

The White House announced that the President has invited the Heads of State and Government of Canada, France, the Federal Republic of Germany, Great Britain, Italy, and Japan, as well as the President of the European Commission, to join him at Williamsburg, Va., for the 1983 summit of industrialized countries. The summit will take place over a 2-day period in the spring of 1983. The summit representatives come together annually to discuss current economic concerns. The last time the United States hosted an economic summit was in 1976 in Puerto Rico.

The President accorded the personal rank of Ambassador to Gilbert A. Robinson while serving as Acting Commissioner General of the United States Exhibition for the International Exposition, Tsukuba, Japan, 1985. Since 1981 he has been Deputy Director of the United States Information Agency. He will continue to serve in this capacity.

The President announced his intention to accord the personal rank of Ambassador to Gerald J. Mossinghoff in his capacity as Head of the United States Delegation to the Diplomatic Conference on the Revision of the Paris Industrial Property Convention in Geneva, Switzerland, to be held October 4–30.

The President left the White House for a weekend stay at Camp David, Md.

October 2

The President returned to the White House from Camp David, Md.

The White House announced that the President has invited President Amin Gemayel of Lebanon to make an official working visit to Washington. President Gemayel has accepted the invitation and will meet with President Reagan on October 19.

October 4

The President met at the White House with members of the White House staff.

The President met with Robert P. Nimmo, Administrator of Veterans Affairs, who expressed his desire to leave that position by December 31. The President honored his request.

October 5

The President met at the White House with:

—members of the White House staff;

—the National Security Council;

—Martin Feldstein, Chairman-designate of the Council of Economic Advisers;

—Senate Majority Leader Howard H. Baker, Jr., and House Minority Leader Robert H. Michel;

—Patriarch Diodorus of the Jerusalem Patriarchate of the Greek Orthodox Church, who presented the President with the Great Cross of the Holy Sepulchre;

—Governor Bill Clements of Texas, to discuss agriculture problems in that State;

—members of the Invest-in-America National Council, who presented the President with the organization's American Eagle Award.

The President attended a White House reception for members of the Young Presidents Organization on the State Floor of the White House.

October 6

The President met at the White House with:

—members of the White House staff;

—the Cabinet Council on Legal Affairs;

—Ambassador Philip C. Habib, the President's emissary in consultations in the Middle East, Acting Secretary of State Kenneth W. Dam, Secretary of Defense Caspar W. Weinberger, and members of the White House staff.

The White House announced that the President has granted a recess appointment to L. Clair Nelson to be a member of the Federal Mine Safety and Health Review Commission for a term of 6 years expiring August 30, 1988. He was nominated to the Senate on September 17.

October 7

The President left the White House for a trip to Nevada, California, and Texas.

The President announced that the Vice President will visit Africa this year as the personal representative of the President. At the invitation of the respective governments, the Vice President and Mrs. Bush will visit Cape Verde, Kenya, Nigeria, Senegal, Zaire, Zambia, and Zimbabwe. They also will visit Bermuda. The purpose of the trip is to demonstrate the high value the Reagan administration places on these friendships, to develop better understanding on major bilateral and regional issues, and to emphasize American support for regional solutions to regional problems and opportunities.

October 8

The White House announced that the President has designated the following individuals to be members of the United States Delegation to attend the Inaugural Ceremonies of His Excellency Dr. Hernan Siles Zuazo, as President of the Republic of Bolivia, on October 10:

Personal Representative of the President, with the rank of Special Ambassador:

J. William Middendorf II, who will head the U.S. delegation

Representatives of the President, with the rank of Special Ambassador:

Edwin Gharst Corr, American Ambassador to the Republic of Bolivia

Roger W. Fontaine, staff member, National Security Council

Frank B. Kimball, Counsellor, Agency for International Development

Samuel F. Hart, Director, Office of Andean Affairs, Bureau of Inter-American Affairs, Department of State

Samuel Haddad, deputy executive director, AFL–CIO, Washington, D.C.

Brig. Gen. Frederick F. Woerner, Jr., Commander, 93d Infantry Brigade, Panama

William M. McSweeny, president, Occidental International Corporation.

Early in the evening, the President arrived at Rancho del Cielo, his ranch near Santa Barbara, Calif., where he stayed for the weekend.

October 11

The White House announced that at the invitation of the President, a delegation from the Arab League will visit Washington for talks with the President on October 22. The invitation was accepted by His Majesty King Hassan II of Morocco, Chairman of the Arab League, on behalf of the delegation. The delegation will be headed by King Hassan and includes Saudi Arabian Minister of Foreign Affairs Sa'ud al-Faysal, Tunisian Minister of Foreign Affairs Beji Caid es-Sebsi, and Syrian Minister of Foreign Affairs 'Abd al-Halim Khaddam. These discussions will provide an opportunity for an exchange of views between the Arab leaders and the President on the prospects

for peace in the Middle East in light of recent initiatives taken by President Reagan and the summit conference of the Arab League held in Fez, Morocco.

October 12

The President met at the White House with members of the White House staff.

October 13

The President met at the White House with:
—members of the White House staff;
—the National Security Council.

October 14

The President met at the White House with:
—members of the White House staff;
—a group of business leaders who were attending a briefing at the White House on administration initiatives and programs;
—the Cabinet.

The President granted a recess appointment to Martin S. Feldstein to be a member of the Council of Economic Advisers. The President also designated him Chairman. He was nominated to the Senate on September 14.

The President granted a recess appointment to Orville G. Bentley to be an Assistant Secretary of Agriculture (Science and Education). He was nominated to the Senate on September 17.

October 15

The President met at the White House with:
—members of the White House staff;
—the National Security Council.

In the afternoon, the President attended a reception in the State Dining Room for the Florida Republican Party.

The White House announced that the President has invited Prime Minister Francisco Pinto Balsemão of Portugal to make an official working visit to the United States. The Prime Minister has accepted and will meet with the President at the White House on December 14.

The President left the White House late in the afternoon for a weekend stay at Camp David, Md.

October 16

The White House announced that at the invitation of the President, Algerian Minister of Foreign Affairs Ahmed Taleb Ibrahimi, Jordanian Minister of Foreign Affairs Marwan al-Kasim, and Secretary General of the Arab League Shazli Klibi will meet with him on October 22, as part of the Arab League delegation which is being headed by King Hassan II of Morocco. The delegation also includes Saudi Arabian Minister of Foreign Affairs Sa'ud al-Faysal, Tunisian Minister of Foreign Affairs Beji Caid es-Sebsi, and Syrian Minister of Foreign Affairs 'Abd al-Halim Khaddam.

October 17

The President returned to the White House following a weekend stay at Camp David, Md.

October 18

The President met at the White House with:
—members of the White House staff;
—members of the National Venture Capital Association, who presented the President with the 1982 William A. Steiger Award;
—members of the Military Manpower Task Force;
—the Cabinet Council on Legal Policy, to discuss civil rights enforcement;
—Senator Nicholas F. Brady of New Jersey;
—King Olav V of Norway.

The White House announced that the President has invited Chancellor Helmut Kohl of the Federal Republic of Germany to make an official working visit to Washington. The Chancellor has accepted the invitation and will meet with the President on November 15. During his visit, the Chancellor also will meet with other senior U.S. officials. Vice Chancellor and Minister of Foreign Affairs Hans-Dietrich Genscher will accompany the Chancellor.

October 19

The President attended a White House reception on the South Grounds for members of the Republican National Committee.

The President announced his intention to nominate Wilson A. Wallis to be United States Alternate Governor of the International Bank for Reconstruction and Development for a term of 5 years, United States Alternate Governor of the Inter-American Development Bank for a term of 5 years, United States Alternate Governor of the Asian Development Bank, and United States Alternate Governor of the African Development Fund. He would succeed Myer Rashish. He is currently Under Secretary of State for Economic Affairs and will continue to serve in that capacity.

October 20

The President met at the White House with members of the White House staff.

The President called St. Louis Cardinals manager Whitey Herzog and Milwaukee Brewers manager Harvey Kuenn to congratulate them on their participation in the 1982 World Series.

October 22

The President met at the White House with members of the White House staff.

The White House announced that the President has granted a recess appointment to William Gene Lesher to be a member of the Board of Directors of the National Consumer Cooperative Bank (new position). He will continue to serve as Assistant Secretary of Agriculture for Economics.

The President granted a recess appointment to Caroline H. Hume to be a member of the National Museum Services Board, Institute of Museum Services, for a term expiring December 6, 1985. She was nominated to the Senate on August 4. She would succeed Dorothy Graham-Wheeler.

The President left the White House for a weekend stay at Camp David, Md.

October 23

The President designated Allen Wallis, Under Secretary of State for Economic Affairs, as his Personal Representative for the 1983 Summit of Industrialized Countries. He also named Michael A. McManus, Deputy Assistant to the President, to be the coordinator for administration of the summit. The summit has been scheduled for May 28–30, 1983, in Williamsburg, Va.

The White House announced that the President has granted recess appointments to the following individuals as members of the Board of Directors of the Legal Services Corporation: Frank J. Donatelli, who will succeed Marc Sandstrom, and Daniel M. Rathbun, who will succeed Josephine Marie Worthy.

October 24

The President returned to the White House following a weekend stay at Camp David, Md.

October 25

The President met at the White House with:
—former President Gerald R. Ford;
—members of the White House staff;
—a group of Polish-American leaders, to review the current situation in Poland and to give them a report on the administration's position;
—the Cabinet Council on Commerce and Trade, to discuss high technology and minority business issues.

The White House announced that at the invitation of the Presidents of Brazil, Colombia, and Costa Rica, the President will make a working visit to Latin America November 30 to December 4. He will leave Washington on November 30. On December 1 and 2, he will be in Brazil as the guest of President João Baptista de Oliveira Figueiredo. On December 3, he will be in Colombia as the guest of President Belisario Betancur Cuartas. On December 4, he will be in Costa Rica as the guest of President Luis Alberto Monge Alvarez, returning to Washington that evening.

October 26

Prior to his trip to Raleigh, N.C., the President met at the White House with members of the White House staff.

October 27

The President met at the White House with:
—members of the White House staff;
—a group of small business leaders, to discuss their views on administration policies;
—Professor George Stigler of the University of Chicago, winner of the Nobel Prize in economics.

The President attended a luncheon in the Roosevelt Room at the White House for members of the family of the late President Theodore Roosevelt and trustees of the Theodore Roosevelt Association, a nonprofit historical society and public service organization chartered by Congress in 1920. The Association presented to the President, for display in the Roosevelt Room, the Nobel Peace Prize awarded to President Roosevelt in 1906 for his efforts in mediating the end of the Russo-Japanese war of 1904–1905.

October 28

The White House announced that the President has invited President Yitzhak Navon of Israel to make a working visit to Washington. President Navon has accepted the invitation and will meet with President Reagan at the White House on November 23.

The White House announced that the President has invited Prime Minister Giovanni Spadolini of Italy to make the opening speech at the Conference on Free Elections during the Prime Minister's visit to Washington on November 3–4. The Prime Minister has accepted the invitation and will address the Conference on November 4.

October 29

Following his trip to Roswell, New Mex., the President went to Camp David, Md., for the weekend.

October 31

The President returned to the White House from Camp David, Md.

November 1

The President met at the White House with members of the White House staff.

The President went to George Washington University Hospital to visit Edward J. Rollins, Assistant to the President for Political Affairs, who was recovering from a mild stroke.

The President announced his intention to appoint Elliott Abrams, Assistant Secretary of State for Human Rights and Humanitarian Affairs, to be an Executive Branch Commissioner-Observer on the Commission on Security and Cooperation in Europe. He would succeed Stephen E. Palmer, Jr.

November 2

The President met at the White House with:
—members of the White House staff;
—Senator Paul Laxalt of Nevada, for lunch;
—the Cabinet Council on Economic Affairs.

In the evening, the President and Mrs. Reagan hosted a private dinner in the Residence for Vice President and Mrs. Bush, Secretary of State and Mrs. George P. Shultz, and senior administration officials and personal friends and their guests. During the dinner they followed the election results.

The President granted recess appointments to the following individuals:

Manuel H. Johnson, Jr., to be an Assistant Secretary of the Treasury (Economic Policy). He was nominated to the Senate on October 1. He will succeed Paul Craig Roberts.

Edward A. Knapp to be Director of the National Science Foundation. He has served as Assistant Director of the National Science Foundation since September 10. He will succeed John Brooks Slaughter.

November 3

The President met at the White House with members of the White House staff.

The White House announced that President Fernando Belaúnde Terry of Peru has written President Reagan, advising him that because of unexpected circumstances, he will be unable to make the state visit to Washington scheduled for November 9.

The White House announced that the President has invited Prime Minister Menachem Begin of Israel to meet with him at the White House on November 19. The Prime Minister, who will be in the United States on a private visit, has accepted the invitation.

November 4

The President met at the White House with:
—members of the White House staff;
—regional political directors of the 1980 Reagan-Bush Presidential campaign.

The President designated George A. Keyworth II, Director of the Office of Science and Technology Policy, and Deputy Secretary of Transportation Darrell M. Trent as United States Representative and Alternate Representative, respectively, to the NATO Committee on the Challenges of Modern Society.

The President requested the Congress to provide additional appropriations totaling $44 million in fiscal year 1983 to upgrade U.S. capabilities in the field of international radio broadcasting through the Board for International Broadcasting and the United States Information Agency.

November 5

The President met at the White House with members of the White House staff.

The President transmitted to the Congress the 12th annual report on hazardous materials transportation.

The White House announced that the President has invited President António dos Santos Ramalho Eanes of Portugal to make a state visit to the United States. President Eanes has accepted and will meet with President Reagan on February 10, 1983.

November 6

The President attended a luncheon in the Residence for regional chairmen of the Republican National Committee. Other participants in the luncheon included Senator Paul Laxalt of Nevada, Assistant to the President for Intergovernmental Affairs Richard S. Williamson, Richard Richards, chairman, Betty Heitman, vice chairman, and Roger Moore, general counsel, the Republican National Committee.

November 7

The President met at the White House with Prince Philip, Duke of Edinburgh.

The President and Mrs. Reagan attended a concert given by 20-year-old pianist Ken Noda in the East Room at the White House. The concert began the second season of the "In Performance at the White House" series, which features renowned masters and promising young musicians. Violinist Itzak Perlman is the master of ceremonies for this season's four-concert series. The concert was taped for later broadcast by the Public Broadcasting Service (PBS).

November 8

The President met at the White House with:
—members of the White House staff;
—a group of his advisers for a budget review session;
—Gen. Bernard W. Rogers, U.S. Army, Supreme Allied Commander, Europe;
—the Cabinet Council on Commerce and Trade.

The White House announced that at the request of the Government of Israel and Israeli President Yitzhak Navon, President Navon's planned meeting with President Reagan on November 23 has been rescheduled for January 5, 1983.

The White House announced that the President has invited King Hussein I of Jordan to make a working visit to Washington. The King has accepted the invitation and will meet with the President at the White House on December 21.

November 9

The President met at the White House with:
—members of the White House staff;
—a group of his advisers for a budget review session;
—the Vice President, for a luncheon meeting to discuss the Vice President's upcoming seven-nation tour of Africa and visit to Bermuda;
—a group of his advisers for a second budget review session;
—the National Security Council.

The White House announced that the President has invited Chancellor Bruno Kreisky of Austria to make a working visit to Washington. The Chancellor has accepted the invitation for a date to be mutually agreed upon by the two governments.

November 10

The President met at the White House with:
—members of the White House staff;
—the Cabinet Council on Economic Affairs;
—the Cabinet Council on Human Resources;
—Senator Mark O. Hatfield of Oregon;
—Everett Grindstaff, president of Lions International, to discuss international efforts by the organization to combat drug abuse;
—Joan M. Clark, Director General of the Foreign Service, and Rozanne L. Ridgway, U.S. Ambassador to the Democratic Republic of Germany;
—House Minority Leader Robert H. Michel, to discuss the congressional agenda.

The President announced his intention to designate Al Cardenas as Chairman of the Advisory Committee on Small and Minority Business Ownership. Mr. Cardenas has served as a member of the Committee since February 6.

In the evening, the President went to the Washington Cathedral, where he attended a portion of a ceremony honoring Vietnam veterans.

November 11

The President met at the White House with:
—members of the White House staff;
—a group of his advisers for a budget review session.

November 12

The President met at the White House with:
—members of the White House staff;
—Foreign Minister Kamal Hassan 'Ali of Egypt;
—a group of his advisers for a budget review session.

The President requested the Congress to provide $5.3 million to Radio Marti to begin radio broadcasting to the people of Cuba in 1983; $30 million for the Department of the Treasury to continue and expand Operation Exodus, which is aimed at preventing the illegal export of high technology material; and $495,000 for the National Commission on Student Financial Assistance to enable the Commission to complete its work by July 1, 1983. The President also transmitted changes in the method of financing some military assistance programs, which would result in a technical reduction of $339.5 million in the 1983 request for appropriations and a reappropriation of $120 million from 1982 to 1983, to enable the Department of Defense to proceed with the planned multiyear procurement of two KC-10 tanker aircraft. The President also transmitted a request by the legislative branch to increase 1983 appropriations by $36.1 million. By law, legislative branch requests are transmitted without change.

November 13

The President went to the Soviet Embassy in Washington to sign the book of condolences for the death of President L. I. Brezhnev.

In the afternoon, the President and Mrs. Reagan left the White House for a trip to Chicago, Ill., to attend a memorial service for Mrs. Reagan's father, Dr. Loyal Davis. Following the service at the John B. Murphy Memorial Auditorium, the President and Mrs. Reagan attended a reception at the Nickerson Mansion and then returned to Washington, D.C.

November 15

The President met at the White House with:
—members of the White House staff;
—the Cabinet.

The President transmitted to the Congress:
—the first annual report on Alaska's mineral resources, covering 1982;
—the 17th annual report of the Department of Housing and Urban Development;
—the 13th and final annual report of the National Advisory Council on Economic Opportunity;
—a memorandum of law, prepared by the Attorney General in consultation with the Secretary of Energy, describing authorities available to the President to respond to a severe energy supply interruption or reduction of petroleum products available to the United States.

November 16

The President met at the White House with:
—members of the White House staff;
—Secretary of State George P. Shultz.

The President left the White House for a trip to Louisiana and Florida.

November 18

The President met at the White House with:
—members of the White House staff;
—Senate Majority Leader Howard H. Baker, Jr., and House Minority Leader Robert H. Michel;
—the National Security Council.

The President transmitted to the Congress the 26th annual report on the Trade Agreements Program, 1981–1982.

The White House announced that the President has invited Prime Minister Poul Schlüter of Denmark to meet with him at the White House. The Prime Minister has accepted and will meet with the President on December 13.

November 19

The President met at the White House with:
—members of the White House staff;
—a group of his advisers for a budget review session;
—the General Advisory Committee of the U.S. Arms Control and Disarmament Agency;
—the Cabinet, to discuss an overview of the budget;
—the Cabinet Council on Commerce and Trade.

The White House announced that at the invitation of President Roberto Suazo Córdova of Honduras, President Reagan will visit Tegucigalpa on December 4 for a meeting with President Suazo.

The President left the White House for a weekend stay at Camp David, Md.

November 20

The White House announced that during the President's forthcoming visit to Central America, where he will be the guest of President Luis Alberto Alvarez Monge of Costa Rica and President Roberto Suazo Córdova of Honduras, he will meet with two additional Central American leaders. The President will meet with President José Efrain Ríos Montt of Guatemala while he is in Honduras. While visiting Costa Rica, the President will meet with President Alvaro Alfredo Magaña Borjo of El Salvador.

November 21

The President returned to the White House in the afternoon, following a weekend stay at Camp David, Md.

November 22

The President met at the White House with:
—members of the White House staff;
—members of the Senior Executive Service for an awards ceremony.

The President held a meeting in the Cabinet Room to announce his decision on the land-based component of the strategic forces by authorizing the development and deployment of the MX intercontinental ballistic missile. Participants in the meeting included Secretary of Defense Caspar W. Weinberger, Secretary of State George P. Shultz, Assistant to the President for National Security Affairs William P. Clark, Senators Howard H. Baker, Jr., of Tennessee, Strom Thurmond of South Carolina, Robert C. Byrd of West Virginia, John Tower of Texas, Henry M. Jackson of Washington, Paul Laxalt of Nevada, and Ted Stevens of Alaska, and Representatives Thomas P. O'Neill, Jr., of Massachusetts, Robert H. Michel of Illinois, William S. Broomfield of Michigan, Thomas S. Foley of Washington, Jack Edwards of Alabama, Marjorie S. Holt of Maryland, Clement J. Zablocki of Wisconsin, Joseph P. Addabbo of New York, Jim Wright of Texas, and Richard B. Cheney of Wyoming.

In a ceremony in the Oval Office, the President received diplomatic credentials from Ambassadors U Kyee Myint of Burma, Simon Insonere of Rwanda, Mocktar Georges Abdoulaye-Mbingt of Gabon, Joseph Diatta of Niger, Kasem S. Kasemsri of Thailand, and Ali Mlahaili of the Comoros.

The President and Secretary of Labor Raymond J. Donovan announced that John Van de Water has been named Special Assistant to the Secretary of Labor. Mr. Van de Water has resigned his position with the National Labor Relations Board effective December 16 and is expected to assume his new responsibilities thereafter.

November 23

The President met at the White House with:
—members of the White House staff;
—Governor Ed Herschler of Wyoming;
—the National Security Council;
—the Cabinet Council on Economic Affairs.

In a Rose Garden ceremony, the President was presented with a 50-pound turkey for Thanksgiving by representatives of the National Turkey Federation (NTF). The occasion marked the federation's 35th presentation to the Nation's First Family in commemoration of the holiday. The turkey was grown especially for the occasion by William H. Prestage, president of NTF, who was joined by Lew Walts, NTF executive vice president, and members of their families, for the ceremony.

The President left the White House for Rancho del Cielo, his ranch near Santa Barbara, Calif., where he and Mrs. Reagan spent the Thanksgiving weekend.

November 27

The President declared a major disaster for the State of Hawaii as a result of the impact of Hurricane Iwa, beginning on November 23, which caused extensive property damage.

November 29

The President left Rancho del Cielo, his ranch near Santa Barbara, Calif., where he spent the Thanksgiving holiday, for an appearance at the annual convention of the National League of Cities in Los Angeles.

November 30

The President met at the White House with:
—members of the White House staff;
—Republican Members of the Senate and House of Representatives;
—members of the Defense Subcommittee of the House Appropriations Committee.

December 1

The White House announced that the President has transmitted to the Congress 1983 amended budget requests totaling $6.8 billion. These requests would provide the following:
—$6.7 billion for the Department of Agriculture to enable the Commodity Credit Corporation to continue to meet its current obligations;
—$148.9 million for the Department of Justice to implement the President's new program to combat drug-related organized crime activities nationwide and handle workload increases relating to illegal immigration and other areas of Department responsibility;
—$2 million for the Department of Commerce to implement the Industrial Technololgy Partnerships program, which seeks to eliminate barriers to private sector cooperative research and development ventures;
—reductions of $2.4 million for the Department of State, $1.5 million for the Maritime Commission, and $1 million for the United States Information Agency, which are possible because of reduced program requirements.

December 1

The President transmitted to the Congress the Strategic Petroleum Reserve Drawdown Plan, Amendment No. 4, and the Strategic Petroleum Reserve Drawdown and Distribution Report. The two reports are being made pursuant to the Energy Emergency Preparedness Act of 1982.

December 2

The White House announced that the President has invited Prime Minister Yasuhiro Nakasone of Japan to make a working visit to Washington. The Prime Minister has accepted the invitation and will meet with the President on January 18, 1983.

The White House announced that the President has transmitted to the Congress the Aggregate Report on Personnel, pursuant to title 3, United States Code, section 113, for fiscal year 1982.

December 6

The President met at the White House with:
—members of the White House staff;
—the Cabinet, to discuss his trip to Latin America, private sector initiatives, a review of the fiscal year 1984 budget process, and U.S. participation in the Geneva, Switzerland, meeting on the General Agreement on Tariffs and Trade;
—Republican Members of the House of Representatives, to discuss production of the MX missile;
—Democratic Members of the House of Representatives, to discuss production of the MX missile;
—Republican Members of the House of Representatives, to discuss production of the MX missile.

The President hosted a reception in the Roosevelt Room for political appointees in the administration who were active in the 1982 congressional campaigns.

The White House announced that the President has invited President Mohammed Hosni Mubarak of Egypt to make a working visit to Washington. President Mubarak has accepted and will meet with President Reagan on January 27, 1983.

The President requested the Congress to provide $1,626.2 million for the Department of Agriculture to fully fund the food stamp program and the child nutrition program for fiscal year 1983.

The President requested a reduction of $31 million in 1983 for the Department of the Interior. This reduction is possible because the Congress provided in the 1982 supplemental appropriations bill $30 million that had been requested in the fiscal year 1983 budget to pay court costs resulting from land acquisition by the National Park Service. In addition, the National Park Service has reduced the estimate of condemnation award costs by $1 million.

December 7

The President met at the White House with:
—members of the White House staff;
—the National Security Council;
—Members of Congress.

The White House announced that the President and Chancellor Bruno Kreisky of Austria will meet on February 3, 1983. The President's

invitation to the Chancellor to make an official working visit and the Chancellor's acceptance of a mutually convenient date were announced by the White House on November 9.

The President transmitted to the Congress the annual report covering efforts of the Department of Energy to implement provisions of the Emergency Energy Conservation Act since its enactment on November 5, 1979.

December 8

The President met at the White House with:
—members of the White House staff;
—Harry N. Walters, Administrator-designate of Veterans Affairs;
—members of the National Endowment for the Humanities;
—the U.S. Savings Bonds Volunteer Committee;
—Governor Scott Matheson of Utah, chairman of the National Governors' Association;
—members of the House Ways and Means Committee, to discuss the Caribbean Basin Initiative.

December 9

The President met at the White House with:
—members of the White House staff;
—the Cabinet Council on Food and Agriculture;
—Ambassador Philip C. Habib, the President's Special Representative for the Middle East, Acting Secretary of State Kenneth W. Dam, Secretary of Defense Caspar W. Weinberger, and members of the White House staff.

December 10

The President met at the White House with:
—members of the White House staff;
—Members of Congress;
—Ambassador Edward L. Rowny, Special Representative for Negotiations, U.S. Arms Control and Disarmament Agency;
—the National Security Council;
—Governors Robert Orr of Indiana, Richard Snelling of Vermont, and James Thompson of Illinois.

The President left the White House for a weekend stay at Camp David, Md.

December 11

The President declared a major disaster for the State of Missouri as a result of severe storms, tornadoes, and flooding beginning on or about December 1, which caused extensive property damage.

December 12

The President returned to the White House following a weekend stay at Camp David, Md.

The President and Mrs. Reagan participated in the taping of the NBC television program "Christmas in Washington" at the National Building Museum.

December 13

The President met at the White House with:
—members of the White House staff;
—Prime Minister Poul Schlüter of Denmark, President of the European Communities;
—Foreign Minister Bernardo Sepulveda Amor of Mexico.

The President declared a major disaster for the State of Arkansas as a result of tornadoes, severe storms, and flooding beginning on or about December 2, which caused extensive property damage.

The President and Mrs. Reagan hosted a Christmas party for Members of Congress on the State Floor of the White House.

December 14

The President met at the White House with:
—members of the White House staff;
—Members of Congress, to discuss production of the MX missile;
—Republican congressional leaders;
—members of the President's National Security Telecommunications Advisory Committee;
—administration officials and members of the White House staff, to discuss the Nation's economy and the fiscal year 1984 Federal budget.

The President declared a major disaster for the State of Illinois as a result of severe storms, tornadoes, and flooding beginning on or about December 2, which caused extensive property damage.

The President and Mrs. Reagan hosted a Christmas party for members of the press on the State Floor of the White House.

December 15

The President met at the White House with:
—members of the White House staff;
—Foreign Minister Elie Salem of Lebanon, the Vice President, Acting Secretary of State Kenneth W. Dam, and other administration officials;
—administration officials and members of the White House staff, to discuss the fiscal year 1984 Federal budget.

The President and Mrs. Reagan hosted a Christmas party for members of the press on the State Floor of the White House.

December 16

The President met at the White House with:
—members of the White House staff;
—the Cabinet, to discuss education issues;
—the Vice President, for lunch;

—the National Security Council.

The White House announced that the President has invited Prime Minister Felipe Gonzalez of Spain to make an official working visit to the United States. The Prime Minister has accepted and will meet with the President in June 1983.

The President transmitted to the Congress the 16th annual report of developments in 1981 in connection with the Automotive Products Trade Act of 1965.

The President transmitted to the Congress an amended 1983 budget request providing a reduction of $627 million for the Department of Health and Human Services. The reduction reflects the decision to transfer special supplemental food programs to the Department of Agriculture. He also transmitted amended 1983 requests in the amount of $20 million for the Department of the Interior to enable the Bureau of Reclamation to initiate two new major construction projects and fund eight small reclamation projects loans.

December 17

The President met at the White House with:
—members of the White House staff;
—the Cabinet Council on Economic Affairs, to discuss the Federal Financing Bank;
—the Cabinet Council on Commerce and Trade, to discuss trade policy.

The President went horseback riding in the afternoon at the U.S. Park Police Horse Mounted Training Center in Washington, D.C.

The President attended a National Security Council staff Christmas party at Blair House.

The President transmitted to the Congress 1983 appropriation language for the Department of Housing and Urban Development that increases the limitation on Federal Housing Administration-insured loans by $6.1 billion. This increase is necessary because of increased demand for these insured loans as a result of lower interest rates.

December 20

The President met at the White House with:
—members of the White House staff;
—a group of his advisers for a budget review session;
—Secretary of State George P. Shultz, who reported on his recent trip to Europe.

December 21

The President met at the White House with:
—members of the White House staff;
—Ambassador Philip C. Habib, the President's Special Representative for the Middle East, Secretary of State George P. Shultz, Deputy Secretary of State Kenneth W. Dam, Assistant to the President for National Security Affairs William P. Clark, and Deputy Assistant to the President for National Security Affairs Robert C. McFarlane.

December 22

The President met at the White House with:
—members of the White House staff;
—the Joint Chiefs of Staff.

December 23

The President met at the White House with:
—members of the White House staff;
—the Cabinet Council on Management and Administration;
—the Vice President, for lunch.

The President recess appointed John C. Miller as a member of the National Labor Relations Board, vice John Harold Fanning. The President also intends to designate him as Chairman. On December 1, the President nominated Mr. Miller to be General Counsel of the Federal Labor Relations Authority. The Senate adjourned without taking action on the nomination.

December 25

The President and Mrs. Reagan spent Christmas at the White House with their daughter Patti Davis and friends.

December 27

The President and Mrs. Reagan left the White House for a trip to Phoenix, Ariz., where they remained overnight at the home of Mrs. Reagan's mother, Mrs. Loyal Davis.

December 28

The President and Mrs. Reagan left Phoenix, Ariz., and traveled to Los Angeles, Calif.

The White House announced that at the invitation of the President, Queen Elizabeth II of the United Kingdom and the Duke of Edinburgh will pay an official visit to the United States from February 26 to March 7, 1983.

The White House announced that the President has designated Clinton Dan McKinnon as Chairman of the Civil Aeronautics Board for an

additional term of 1 year expiring on December 31, 1983.

December 29

The President met with members of the White House staff at the Century Plaza Hotel in Los Angeles, Calif. He then left Los Angeles for a stay in Palm Springs.

December 31

The President met with Secretary of State George P. Shultz and Assistant to the President for National Security Affairs William P. Clark at the home of Walter and Lenore Annenberg, where he and Mrs. Reagan were staying through New Year's Day.

Appendix B—Nominations Submitted to the Senate

The following list does not include promotions of members of the Uniformed Services, nominations to the Service Academies, or nominations of Foreign Service officers.

Submitted July 6

Edwin J. Feulner, Jr.,
of Virginia, to be a member of the United States Advisory Commission on Public Diplomacy for a term expiring July 1, 1985, vice Jean McKee.

Submitted July 12

Nicholas Platt,
of the District of Columbia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Zambia.

The following-named persons to be Judges of the United States Tax Court for terms expiring 15 years after they take office:

Mary Ann Cohen, of California, vice Cynthia Holcomb Hall.

Lapsley Walker Hamblen, Jr., of Virginia, vice Sheldon V. Ekman.

James Harlan Stamper, of Missouri, vice Irene Feagin Scott.

Philip Abrams,
of Massachusetts, to be an Assistant Secretary of Housing and Urban Development, vice Philip D. Winn, resigned.

Harry M. Singleton,
of the District of Columbia, to be Assistant Secretary for Civil Rights, Department of Education, vice Clarence Thomas.

Henry F. Cooper, Jr.,
of Virginia, to be an Assistant Director of the United States Arms Control and Disarmament Agency, vice David Marion Clinard, resigned.

Charles H. Dallara,
of Virginia, to be United States Alternate Executive Director of the International Monetary Fund for a term of 2 years, vice Donald Eugene Syvrud, resigned.

Submitted July 12—Continued

Justin Dart,
of California, to be a member of the Board of Directors of the Communications Satellite Corporation until the date of the annual meeting of the Corporation in 1985, vice Jesse Hill, Jr., term expired.

The following-named persons to be members of the Federal Farm Credit Board, Farm Credit Administration, for a term expiring March 31, 1988:

Tom H. Carothers, of Texas, vice William Dale Nix, Sr., term expired.

Leonard R. Fouts, of Indiana, vice M. R. Bradley, term expired.

Submitted July 15

Antonin Scalia,
of Illinois, to be United States Circuit Judge for the District of Columbia Circuit, vice Roger Robb, retired.

J. Lawrence Irving,
of Califorina, to be United States District Judge for the Southern District of California, vice Edward J. Schwartz, retired.

Frederick J. Scullin, Jr.,
of New York, to be United States Attorney for the Northern District of New York for the term of 4 years, vice George H. Lowe, resigned.

Submitted July 16

George R. Hoguet,
of New York, to be United States Alternate Executive Director of the International Bank for Reconstruction and Development for a term of 2 years, vice David S. King, resigned.

Oliver G. Richard III,
of Louisiana, to be a member of the Federal Energy Regulatory Commission for a term expiring October 20, 1985, vice Matthew Holden, Jr., resigned.

Charles W. Greenleaf, Jr.,
of Virginia, to be an Assistant Administrator of the Agency for International Development, vice Jon D. Holstine, resigned.

Submitted July 16—Continued

Nancy A. Maloley,
of the District of Columbia, to be a member of the Council on Environmental Quality, vice Jane Hurt Yarn.

Ronald B. Frankum,
of California, to be an Associate Director of the Office of Science and Technology Policy (new position).

Submitted July 22

William M. Acker, Jr.,
of Alabama, to be United States District Judge for the Northern District of Alabama, vice Frank H. McFadden, resigned.

Faith P. Evans,
of Hawaii, to be United States Marshal for the District of Hawaii for the term of 4 years, vice Edward N. Keliikoa, resigned.

Wilmer D. Mizell, Sr.,
of North Carolina, to be an Assistant Secretary of Agriculture, vice James C. Webster, resigned.

Winifred Ann Pizzano,
of Virginia, to be Federal Cochairman of the Appalachian Regional Commission, vice Albert P. Smith, resigned.

Jacqueline L. Phillips,
of Maryland, to be Alternate Federal Cochairman of the Appalachian Regional Commission, vice William E. Albers.

Edward A. Knapp,
of New Mexico, to be an Assistant Director of the National Science Foundation, vice William Klemperer, resigned.

James C. Treadway, Jr.,
of the District of Columbia, to be a member of the Securities and Exchange Commission for the term expiring June 5, 1987, vice Bevis Longstreth, term expired.

Harry J. Staszewski, Jr.,
of Pennsylvania, to be a member of the United States Metric Board for a term expiring March 23, 1988, vice Sandra R. Kenney, term expired.

Submitted July 26

Everett Alvarez, Jr.,
of Maryland, to be Deputy Administrator of Veterans' Affairs, vice Charles Timothy Hagel, resigned.

Submitted July 26—Continued

Charles L. Dunahue,
of Colorado, to be United States Marshal for the District of Colorado for the term of 4 years, vice Rafael E. Juarez, resigned.

Clinton T. Peoples,
of Texas, to be United States Marshal for the Northern District of Texas for the term of 4 years (reappointment).

Submitted July 27

Harry W. Wellford,
of Tennessee, to be United States Circuit Judge for the Sixth Circuit, vice Bailey Brown, retired.

Michael M. Mihm,
of Illinois, to be United States District Judge for the Central District of Illinois, vice Robert D. Morgan, retired.

Bruce M. Selya,
of Rhode Island, to be United States District Judge for the District of Rhode Island, vice Raymond J. Pettine, retired.

Withdrawn July 27

James L. Malone,
of Virginia, to be Ambassador at Large in connection with his appointment as Special Representative of the President of the United States for the Law of the Sea Conference, and Chief of Delegation, which was sent to the Senate on March 11, 1982.

Submitted July 28

Larry D. Thompson,
of Georgia, to be United States Attorney for the Northern District of Georgia for the term of 4 years, vice William L. Harper, resigned.

Raymond J. Dearie,
of New York, to be United States Attorney for the Eastern District of New York for the term of 4 years, vice Edward R. Korman.

Submitted August 4

The following-named persons to be members of the National Museum Services Board for the terms indicated:

For a term expiring December 6, 1984:

Elizabeth Helms Adams, of California, vice Mamie P. Clark, term expired.

Alice Wright Algood, of Tennessee, vice Benjamin W. Hazard, term expired.

Anne Carroll Badham, of California, vice Nancy Negley, term expired.

Submitted August 4—Continued

For a term expiring December 6, 1985:

Fucheng Richard Hsu, of New Jersey, vice Albert T. Klyberg.

Caroline H. Hume, of California, vice Dorothy Graham-Wheeler.

Liles B. Williams, of Mississippi, vice John Connell.

For a term expiring December 6, 1986:

Craig C. Black, of Pennsylvania, vice Raul A. Lopez, term expired.

Ann Duncan Haffner, of Virginia, vice Lewis David, term expired.

Dorothy J. Tyson, of California, vice E. Leland Webber, term expired.

Submitted August 5

James Malone Rentschler,
of Pennsylvania, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Malta.

Theodore George Kronmiller,
of Virginia, Deputy Assistant Secretary of State for Oceans and Fisheries Affairs, for the rank of Ambassador.

The following-named persons to be members of the National Commission on Libraries and Information Science for terms expiring July 19, 1987:

John E. Juergensmeyer, of Illinois, vice Frances Healy Naftalin.

Jerald Conway Newman, of New York, vice Joan Helene Gross.

Julia Li Wu, of California, vice Clara Stanton Jones.

Submitted August 6

Ross T. Roberts,
of Missouri, to be United States District Judge for the Western District of Missouri, vice John R. Gibson, elevated.

Dennis M. Devaney,
of Maryland, to be a member of the Merit Systems Protection Board for a term expiring March 1, 1988, vice Ronald P. Wertheim, resigned.

Edward M. Camacho,
of Guam, to be United States Marshal for the District of Guam for a term of 4 years, vice Juan G. Blas, term expired.

Submitted August 10

Thomas F. Hogan,
of Maryland, to be United States District Judge for the District of Columbia, vice William B. Bryant, retired.

Alex Kozinski,
of the District of Columbia, to be a Judge of the United States Claims Court for a term of 15 years, vice a new position created by Public Law 97–164.

Submitted August 11

William Schneider, Jr.,
of New York, to be Under Secretary of State for Coordinating Security Assistance Programs, vice James L. Buckley.

Robert John Hughes,
of Massachusetts, to be an Assistant Secretary of State, vice Dean E. Fischer, resigned.

Submitted August 12

W. Scott Thompson,
of Massachusetts, to be an Associate Director of the International Communication Agency, vice Robert John Hughes.

Robert B. Hotz,
of Maryland, to be a member of the General Advisory Committee of the United States Arms Control and Disarmament Agency, vice Margaret Bush Wilson, resigned.

Submitted August 13

James L. Buckley,
of Connecticut, to be Counselor of the Department of State, vice Robert Carl McFarlane.

William Arthur Webb,
of Pennsylvania, to be a member of the Equal Employment Opportunity Commission for the term expiring July 1, 1987, vice J. Clay Smith, Jr., term expired.

Submitted August 17

Richard R. Burt,
of the District of Columbia, to be an Assistant Secretary of State, vice Lawrence S. Eagleburger, resigned.

The following-named persons to be members of the National Council on the Handicapped for the terms indicated:

For the remainder of the term expiring September 17, 1982:

Robert V. Bush, of New Mexico, vice Elizabeth Monroe Boggs.

Submitted August 17—Continued

Joseph Dusenbury, of South Carolina, vice Mary P. Chambers.

Hunt Hamill, of Illinois, vice Jack Genair Duncan.

Henry Viscardi, Jr., of New York, vice Thomas Joe.

For the remainder of the term expiring September 17, 1983:

H. Latham Breunig, of Virginia, vice J. David Webb.

Michael Marge, of New York, vice Howard A. Rusk.

Sandra Swift Parrino, of New York, vice Judith E. Heumann.

Alvis Kent Waldrep, Jr., of Texas, vice Donald E. Galvin.

For a term expiring September 17, 1984:

Justin W. Dart, Jr., of Texas, vice Edwin O. Opheim.

John S. Erthein, of California, vice Nelba R. Chavez.

Roxanne S. Vierra, of Colorado, vice John P. Hourihan.

For a term expiring September 23, 1984:

Marian North Koonce, of California, vice Odessa Komer, resigned.

For a term expiring September 17, 1985:

Robert V. Bush, of New Mexico (reappointment).

Joseph Dusenbury, of South Carolina (reappointment).

Hunt Hamill, of Illinois (reappointment).

Henry Viscardi, Jr., of New York (reappointment).

Submitted August 20

William Alexander Hewitt,
of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Jamaica.

Theodore C. Maino,
of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Botswana.

Fernando E. Rondon,
of Virginia, a career member of the Senior Foreign Service, Class of Counselor, now Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Republic of Madagascar, to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal and Islamic Republic of the Comoros.

Submitted August 20—Continued

The following-named persons to be members of the National Council on Educational Research for the terms indicated:

For the remainder of the term expiring September 30, 1982:

Paul Copperman, of California, vice Joseph J. Davies, Jr.

James Harvey Harrison, Jr., of Virginia, vice Timothy S. Healy.

Wallie Cooper Simpson, of New York, vice John S. Shipp, Jr.

For a term expiring September 30, 1985:

Paul Copperman, of California (reappointment).

James Harvey Harrison, Jr., of Virginia (reappointment).

Wallie Cooper Simpson, of New York (reappointment).

Submitted August 24

Jay F. Morris,
of Maryland, to be Deputy Administrator of the Agency for International Development, vice Joseph C. Wheeler, resigned.

Edward Rafeedie,
of California, to be United States District Judge for the Central District of California, vice David W. Williams, retired.

David D. Dowd, Jr.,
of Ohio, to be United States District Judge for the Northern District of Ohio, vice Leroy J. Contie, elevated.

Rufus W. Campbell, Jr.,
of Louisiana, to be United States Marshal for the Eastern District of Louisiana for the term of 4 years, vice James V. Serio, Jr., term expired.

Max E. Wilson,
of North Carolina, to be United States Marshal for the Western District of North Carolina for the term of 4 years, vice Andrew E. Gardner, deceased.

Herbert M. Rutherford III,
of New Jersey, to be United States Marshal for the Eastern District of Virginia for the term of 4 years, vice Isaac G. Hylton, retired.

Submitted August 25

K. William O'Connor,
of Virginia, to be Special Counsel of the Merit Systems Protection Board for the remainder of the term expiring June 3, 1986, vice Alex Kozinski, resigned.

Submitted August 31

Peter Dalton Constable,
of New York, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Zaire.

The following-named persons to be members of the Board of Trustees of the Harry S. Truman Scholarship Foundation for the terms indicated:

For a term expiring December 10, 1985:

Richard J. Fitzgerald, of Illinois, vice Elliott D. Marshall, term expired.

Truman McGill Hobbs, of Alabama, vice Walter E. Craig, term expired.

For a term expiring December 10, 1987:

Margaret Truman Daniel, of New York (reappointment).

Gloria Ann Hay, of Alaska, vice John Portner Humes, term expired.

Submitted September 1

Kenneth W. Dam,
of Illinois, to be Deputy Secretary of State, vice Walter J. Stoessel, Jr.

Submitted September 2

Henry Allen Holmes,
of the District of Columbia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Portugal.

Rozanne L. Ridgway,
of the District of Columbia, a career member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the German Democratic Republic.

Lawrence F. Davenport,
of Virginia, to be Assistant Secretary for Elementary and Secondary Education, Department of Education, vice Vincent E. Reed, resigned.

Submitted September 2—Continued

Edward W. Ray,
of California, to be a Commissioner of the Copyright Royalty Tribunal for a term of 7 years from September 27, 1982 (reappointment).

Submitted September 8

W. Allen Wallis,
of New York, to be Under Secretary of State for Economic Affairs, vice Myer Rashish, resigned.

Gary L. Bauer,
of Virginia, to be Deputy Under Secretary for Planning and Budget, Department of Education, vice Gary L. Jones.

Charles L. Heatherly,
of Virginia, to be Deputy Under Secretary for Management, Department of Education, vice Kent Lloyd, resigned.

Edward A. Curran,
of Maryland, to be Deputy Director of the Peace Corps, vice Everett Alvarez, Jr.

Alfred J. Fleischer, Sr.,
of Missouri, to be a member of the Board of Directors of the National Corporation for Housing Partnerships for the term expiring October 27, 1982, vice Kennon V. Rothschild, term expired.

Alfred J. Fleischer, Sr.,
of Missouri, to be a member of the Board of Directors of the National Corporation for Housing Partnerships for the term expiring October 27, 1985 (reappointment).

Submitted September 9

Raymond L. Acosta,
of Puerto Rico, to be United States District Judge for the District of Puerto Rico, vice Jose V. Toledo, deceased.

Rita M. Rodriguez,
of Massachusetts, to be a member of the Board of Directors of the Export-Import Bank of the United States, vice Donald Eugene Stingel, resigned.

Arthur F. Van Court,
of California, to be United States Marshal for the Eastern District of California for the term of 4 years, vice Robert P. La Roche, term expired.

Submitted September 13

Robert Bigger Oakley,
of Louisiana, a career member of the Senior Foreign Service, Class of Career Minister, to be Am-

Submitted September 13—Continued

bassador Extraordinary and Plenipotentiary of the United States of America to the Somali Democratic Republic.

Richard V. Backley,
of Virginia, to be a member of the Federal Mine Safety and Health Review Commission for a term of 6 years expiring August 30, 1988 (reappointment), to which position he was appointed during the last recess of the Senate.

The following-named persons to be members of the National Science Board, National Science Foundation, for terms expiring May 10, 1988:

Charles E. Hess, of California, vice William F. Hueg, Jr., term expired.
John H. Moore, of California, vice Raymond L. Bisplinghoff, term expired.
Norman C. Rasmussen, of Massachusetts, vice Alexander Rich, term expired.
Roland W. Schmitt, of New York, vice Lloyd Miller Cooke, term expired.

Wendy Hawley Borcherdt,
of California, to be Deputy Under Secretary for Intergovernmental and Interagency Affairs, Department of Education, vice John H. Rodriguez, resigned.

Submitted September 14

James C. Fox,
of North Carolina, to be United States District Judge for the Eastern District of North Carolina, vice a new position created by P.L. 95–486, approved October 20, 1978.

Martin S. Feldstein,
of Massachusetts, to be a member of the Council of Economic Advisers, vice Murray L. Weidenbaum, resigned.

Submitted September 15

Richard T. McCormack,
of the District of Columbia, to be an Assistant Secretary of State, vice Robert D. Hormats, resigned.

Everett Ellis Briggs,
of Maine, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Panama.

Stephen W. Bosworth,
of Michigan, to be a member of the Board of the Panama Canal Commission, vice John Alden Bushnell.

Submitted September 15—Continued

The following-named persons to be Representatives and Alternate Representatives of the United States of America to the Thirty-seventh Session of the General Assembly of the United Nations:

Representatives:

Kenneth L. Adelman, of Virginia
J. Bennett Johnston, United States Senator from the State of Louisiana
Robert W. Kasten, Jr., United States Senator from the State of Wisconsin
Jeane J. Kirkpatrick, of Maryland
John Davis Lodge, of Connecticut

Alternative Representatives:

Charles M. Lichenstein, of the District of Columbia
Gordon C. Luce, of California
Hernan Padilla, of Puerto Rico
William Courtney Sherman, of Virginia
Jose S. Sorzano, of Virginia

The following-named persons to be the Representative and Alternate Representatives of the United States of America to the Twenty-sixth Session of the General Conference of the International Atomic Energy Agency:

Representative:

W. Kenneth Davis, of California

Alternate Representatives:

Richard T. Kennedy, of the District of Columbia
Roger Kirk, of the District of Columbia
Thomas Morgan Roberts, of the District of Columbia

Submitted September 17

Orville G. Bentley,
of Illinois, to be an Assistant Secretary of Agriculture (new position).

L. Clair Nelson,
of Virginia, to be a member of the Federal Mine Safety and Health Review Commission for a term of 6 years expiring August 30, 1988, vice Marian Pearlman Nease, resigned.

David Joseph Fischer,
of Texas, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Seychelles.

James K. Stewart,
of California, to be Director of the National Institute of Justice (new position).

Submitted September 17—Continued

Fowler C. West,
of Texas, to be a Commissioner of the Commodity Futures Trading Commission for the term expiring April 13, 1987, vice David Gay Gartner, term expired.

Walter C. Wallace,
of New York, to be a member of the National Mediation Board for the term expiring July 1, 1984, vice George S. Ives, term expired.

Submitted September 20

George W. Douglas,
of Texas, to be a Federal Trade Commissioner for the term of 7 years from September 26, 1982, vice Robert Pitofsky, resigned.

Submitted September 21

Sharon Erdkamp Ahmad,
of the District of Columbia, a career member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of The Gambia.

John Blane,
of Illinois, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Rwanda.

Submitted September 22

George G. Fagg,
of Iowa, to be United States Circuit Judge for the Eighth Circuit, vice Roy L. Stephenson, retired.

Submitted September 23

Charles H. Perenick, Sr.,
of Massachusetts, to be United States Marshal for the District of Massachusetts for the term of 4 years, vice James L. Hartigan, resigned.

Anthony Bertoni,
of Michigan, to be United States Marshal for the Eastern District of Michigan for the term of 4 years (reappointment).

Withdrawn September 23

James Harlan Stamper,
of Missouri, to be a Judge of the United States Tax Court for a term expiring 15 years after he takes office, vice Irene Feagin Scott, which was sent to the Senate on July 12, 1982.

Submitted September 27

Richard T. Kennedy,
of the District of Columbia, to be Ambassador at Large.

Lawrence S. Margolis,
of Maryland, to be a Judge of the United States Claims Court for a term of 15 years, vice a new position created by Public Law 97-164.

Haldane Robert Mayer,
of Virginia, to be a Judge of the United States Claims Court for a term of 15 years, vice a new position created by Public Law 97-164.

J. Raymond Bell,
of the District of Columbia, to be Chairman of the Foreign Claims Settlement Commission of the United States for the term expiring September 30, 1985 (reappointment).

Victor Blanco,
of California, to be a member of the Board of Directors of the Inter-American Foundation for a term expiring September 20, 1988, vice Peter Taylor Jones, term expired.

Submitted September 28

Robert W. Karpe,
of California, to be President of the Solar Energy and Energy Conservation Bank, vice Joseph S. Bracewell.

Carmine R. Lavieri,
of Connecticut, to be a member of the National Council on the Handicapped for the remainder of the term expiring September 17, 1983, vice Henry Williams.

Submitted October 1

Reginald W. Gibson,
of Illinois, to be a Judge of the United States Claims Court for a term of 15 years, vice a new position created by Public Law 97-164.

Romolo J. Imundi,
of New York, to be United States Marshal for the Southern District of New York for a term of 4 years, vice George V. Grant, term expired.

Edward M. Camacho,
of Guam, presently United States Marshal for the District of Guam, to be also United States Marshal for the District of the Northern Mariana Islands for a term expiring September 14, 1986, vice Juan G. Blas.

The following-named persons to be members of the Board of Regents of the Uniformed Services

Submitted October 1—Continued
University of the Health Sciences for the terms indicated:

For the term expiring May 1, 1983:

Francis Carter Coleman, of Florida, vice Philip O'Bryan Montgomery, Jr., term expired.

For a term expiring May 1, 1987:

Perry Albert Lambird, of Oklahoma, vice Lt. Gen. Leonard D. Heaton, United States Army, retired, term expired.

David I. Olch, of California, vice David Packard, term expired.

James F. X. O'Rourke, of New York, vice Francis D. Moore, term expired.

William Poole VII,
of Rhode Island, to be a member of the Council of Economic Advisers, vice Jerry L. Jordan, resigned.

Manuel H. Johnson, Jr.,
of Virginia, to be an Assistant Secretary of the Treasury, vice Paul Craig Roberts, resigned.

Submitted October 20

Daniel F. Lopez Romo,
of Puerto Rico, to be United States Attorney for the District of Puerto Rico for the term of 4 years, vice Raymond L. Acosta.

Matthew Chabal, Jr.,
of Pennsylvania, to be United States Marshal for the Middle District of Pennsylvania for the term of 4 years, vice John L. Buck, term expired.

Manuel J. Justiz,
of New Mexico, to be Director of the National Institute of Education, vice Edward A. Curran, resigned.

Douglas A. Fenderson,
of Minnesota, to be Director of the National Institute of Handicapped Research, vice Margaret Joan Giannini.

Submitted October 22

Edward Lionel Peck,
of California, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Islamic Republic of Mauritania.

Betty H. Brake,
of Oklahoma, to be Deputy Director of the ACTION agency, vice Winifred Ann Pizzano.

Submitted October 22—Continued
Edmund T. Dombrowski,
of California, to be a member of the Federal Council on the Aging for a term expiring June 5, 1985, vice Aaron E. Henry, term expired.

Nanette Fabray MacDougall,
of California, to be a member of the National Council on the Handicapped for a term expiring September 17, 1984 (reappointment).

W. Allen Wallis,
of New York, to be United States Alternate Governor of the International Bank for Reconstruction and Development for a term of 5 years; United States Alternate Governor of the Inter-American Development Bank for a term of 5 years; United States Alternate Governor of the Asian Development Bank; and United States Alternate Governor of the African Development Fund, vice Myer Rashish, resigned.

Submitted October 26

Lev E. Dobriansky,
of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Commonwealth of the Bahamas.

Submitted November 5

Samuel Friedlander Hart,
of Virginia, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ecuador.

Victor M. F. Reyes,
of Texas, to be a Commissioner of the United States Parole Commission for a term of 6 years, vice Richard T. Mulcrone, resigned.

Wendy Hawley Borcherdt,
of California, to be Deputy Under Secretary for Intergovernmental and Interagency Affairs, Department of Education, vice John H. Rodriguez, resigned.

The following-named persons to be members of the National Council on the Arts for terms expiring September 3, 1988:

Allen Drury, of California, vice Willard L. Boyd, term expired.

Celeste Holm, of New York, vice Thedore Bikel, term expired.

Raymond J. Learsy, of New York, vice William H. Eells, term expired.

Samuel Lipman, of New York, vice Martina Arroyo, term expired.

George L. Schaefer, of California, vice Harold Prince, term expired.

Submitted November 5—Continued

Robert Stack, of California, vice J. C. Dickinson, Jr., term expired.

The following-named persons to be members of the National Science Board, National Science Foundation, for terms expiring May 10, 1988:

Robert F. Gilkeson, of Pennsylvania, vice Herbert D. Doan, term expired.

William F. Miller, of California, vice John R. Hogness, term expired.

William A. Nierenberg, of California, vice Joseph Mayo Pettit, term expired.

Submitted November 15

Donald P. Hodel,
of Oregon, to be Secretary of Energy, to which position he was appointed during the current recess of the Senate.

Edward M. Elmendorf,
of Vermont, to be Assistant Secretary for Postsecondary Education, Department of Education, vice Thomas Patrick Melady, resigned.

Martha O. Hesse,
of Illinois, to be an Assistant Secretary of Energy (Management and Administration), vice William Stewart Heffelfinger, resigned, to which position she was appointed during the current recess of the Senate.

Peter K. Nunez,
of California, to be United States Attorney for the Southern District of California, vice William H. Kennedy.

Katherine D. Ortega,
of New Mexico, to be a Commissioner of the Copyright Royalty Tribunal for a term of 7 years from September 27, 1982, vice Frances Garcia, term expired.

E. Robert Wallach,
of California, to be a member of the United States Advisory Commission on Public Diplomacy for a term expiring July 1, 1985, vice Lewis Manilow, term expired.

The following-named persons to be members of the United States International Trade Commission for the terms indicated:

For the remainder of the term expiring December 16, 1982:

Enrique J. Leon, of New York, vice Eugene J. Frank, resigned.

For the remainder of the term expiring December 16, 1988:

Susan Wittenberg Liebeler, of California, vice

Submitted November 15—Continued

Michael J. Calhoun, resigned.

For the term expiring December 16, 1991:

Enrique J. Leon, of New York (reappointment).

Submitted November 19

Joseph V. Colaianni,
of Maryland, to be a Judge of the United States Claims Court for a term of 15 years (reappointment).

Robert J. Yock,
of Virginia, to be a Judge of the United States Claims Court for a term of 15 years (reappointment).

Dwight G. Williams,
of Mississippi, to be United States Marshal for the Northern District of Mississippi for the term of 4 years, vice H. Brooks Phillips, term expired.

Charles E. Healey,
of New York, to be United States Marshal for the Eastern District of New York for the term of 4 years, vice Louis J. Soscia, term expired.

Daniel B. Wright,
of New York, to be United States Marshal for the Western District of New York for the term of 4 years, vice Joseph I. St. George, term expired.

David L. Slate,
of California, to be General Counsel of the Equal Employment Opportunity Commission for a term of 4 years, vice Michael Joseph Connolly, resigned.

C. Douglas Dillon,
of New Jersey, to be a member of the National Council on the Arts for a term expiring September 3, 1988, vice Franklin J. Schaffner, term expired.

Henry R. Folsom,
of Delaware, to be a Commissioner of the Postal Rate Commission for the term expiring October 14, 1988 (reappointment).

William G. Simpson,
of Illinois, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1984, vice William M. Landau, term expired.

Kenneth Y. Tomlinson,
of New York, to be an Associate Director of the United States Information Agency, vice Robert John Hughes.

Submitted November 22

Jerome W. Van Gorkom,
of Illinois, to be Under Secretary of State for Management, vice Richard T. Kennedy.

Submitted November 23

Paul E. Plunkett,
of Illinois, to be United States District Judge for the Northern District of Illinois, vice James B. Parsons, retired.

John W. Bissell,
of New Jersey, to be United States District Judge for the District of New Jersey, vice Vincent P. Biunno, retired.

Frank X. Altimari,
of New York, to be United States District Judge for the Eastern District of New York, vice Edward R. Neaher, retired.

Frank W. Bullock, Jr.,
of North Carolina, to be United States District Judge for the Middle District of North Carolina, vice Eugene A. Gordon, retired.

Sam H. Bell,
of Ohio, to be United States District Judge for the Northern District of Ohio, vice Robert B. Krupansky, elevated.

Christine Cook Nettesheim,
of the District of Columbia, to be a Judge of the United States Claims Court for a term of 15 years, vice David Schwartz, retired.

Submitted November 24

John Herbert Holdridge,
of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Indonesia.

Harry N. Walters,
of Virginia, to be Administrator of Veterans' Affairs, vice Robert P. Nimmo, resigned.

Geoffrey M. Alprin,
of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for a term of 15 years, vice Margaret A. Haywood, retired.

Virginia L. Riley,
of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for the term of years prescribed by Public Law 91–358, as amended, vice Samuel B. Block, retired.

Submitted November 24—Continued

Donald L. Dotson,
of Pennsylvania, to be a member of the National Labor Relations Board for the term of 5 years expiring December 16, 1987, vice John Harold Fanning, term expiring.

William Laurens Van Alen,
of Pennsylvania, to be a member of the National Council on the Arts for a term expiring September 3, 1988, vice Geraldine Stutz, term expired.

Submitted November 30

The following-named persons for the positions indicated, to which positions they were appointed during the last recess of the Senate:

Manuel H. Johnson, Jr.,
of Virginia, to be an Assistant Secretary of the Treasury, vice Paul Craig Roberts, resigned.

Orville G. Bentley,
of Illinois, to be an Assistant Secretary of Agriculture (new position).

Martin S. Feldstein,
of Massachusetts, to be a member of the Council of Economic Advisers, vice Murray L. Weidenbaum, resigned.

L. Clair Nelson,
of Virginia, to be a member of the Federal Mine Safety and Health Review Commission for a term of 6 years expiring August 30, 1988, vice Marian Pearlman Nease, resigned.

Caroline H. Hume,
of California, to be a member of the National Museum Services Board for a term expiring December 6, 1985, vice Dorothy Graham-Wheeler.

Edward A. Knapp,
of New Mexico, to be Director of the National Science Foundation for a term of 6 years, vice John Brooks Slaughter, resigned.

Jean Broward Shevlin Gerard,
of New York, to be the Representative of the United States of America to the Fourth Extraordinary Session of the General Conference of the United Nations Educational, Scientific, and Cultural Organization.

James Daniel Phillips,
of the District of Columbia, to be the Alternate Representative of the United States of America to the Fourth Extraordinary Session of the General Conference of the United Nations Educational, Scientific, and Cultural Organization.

Withdrawn November 30

Norman Terrell,
of California, to be an Assistant Director of the United States Arms Control and Disarmament Agency, vice Thomas D. Davies, resigned, which was sent to the Senate on January 28, 1982.

Submitted December 1

John Carl Miller,
of Ohio, to be General Counsel of the Federal Labor Relations Authority for a term of 5 years, vice H. Stephan Gordon, resigned.

Submitted December 6

Paul D. Wolfowitz,
of the District of Columbia, to be an Assistant Secretary of State, vice John H. Holdridge.

James F. Merow,
of Virginia, to be a Judge of the United States Claims Court for a term of 15 years (reappointment).

Diane Kay Morales,
of Texas, to be a member of the Civil Aeronautics Board for the term of 6 years expiring December 31, 1988, vice George A. Dalley, term expiring.

Submitted December 7

W. Paul Thayer,
of Texas, to be Deputy Secretary of Defense, vice Frank C. Carlucci, resigned.

Withdrawn December 8

The following-named persons to be members of the Board of Directors of the Legal Services Corporation for the terms indicated:

For terms expiring July 13, 1983, to which positions they were appointed during the last adjournment sine die of the Senate, which were sent to the Senate on March 1, 1982:

Harold R. DeMoss, Jr., of Texas, vice Steven L. Engelberg, term expired.

Clarence V. McKee, of the District of Columbia, vice Hillary Diane Rodham, term expired.

For a term expiring July 13, 1983, to which position she was appointed during the last adjournment sine die of the Senate, which was sent to the Senate on April 19, 1982:

Annie Laurie Slaughter, of Missouri, vice Cecilia Denogean Esquer, term expired.

For terms expiring July 13, 1984, to which positions they were appointed during the last

Withdrawn December 8—Continued

adjournment sine die of the Senate, which were sent to the Senate on March 1, 1982:

Howard H. Dana, Jr., of Maine, vice Robert J. Kutak, term expired.

William F. Harvey, of Indiana, vice Howard R. Sacks, term expired.

William J. Olson, of Virginia, vice F. William McCalpin, term expired.

George E. Paras, of California, vice Michael Kantor, term expired.

Robert Sherwood Stubbs II, of Georgia, vice Ramona Toledo Shump, term expired.

For a term expiring July 13, 1984, which was sent to the Senate on March 1, 1982:

William L. Earl, of Florida, vice David E. Satterfield III.

Submitted December 9

R. Richard Rubottom,
of Texas, to be a member of the Board of Directors of the Inter-American Foundation for a term expiring September 20, 1988, vice Alberto Ibargüen, term expired.

The following-named persons to be members of the Board for International Broadcasting for terms expiring April 28, 1985:

Thomas F. Ellis, of North Carolina, vice Charles David Ablard, term expired.

Michael Novak, of the District of Columbia, vice Thomas H. Quinn, term expired.

Richard Fairbanks,
of the District of Columbia, for the rank of Ambassador while serving as Special Adviser to the Secretary of State.

Submitted December 10

Carol McGrew Pavilack,
of Arizona, to be a Commissioner of the United States Parole Commission for a term of 6 years, vice Dorothy Parker, resigned.

The following-named persons to be members of the Advisory Board of the Saint Lawrence Seaway Development Corporation:

Conrad M. Fredin, of Minnesota, vice William W. Knight, Jr., resigned.

L. Steven Reimers, of North Dakota, vice Miles F. McKee, resigned.

The following-named persons to be members of the Board of Directors of the Corporation for Public Broadcasting for terms expiring March 26, 1988:

Richard Brookhiser, of New York, vice Michael R. Kelley, term expired.

Karl Eller, of Arizona, vice Clyde M. Reed, term expired.

Submitted December 10—Continued

Helen Marie Taylor, of Virginia, vice Gilliam Martin Sorensen, term expired.

Sharon P. Rockefeller, of West Virginia (reappointment).

Paul H. Lamboley,
of Nevada, to be a member of the Interstate Commerce Commission for the remainder of the term expiring December 31, 1984, vice Darius W. Gaskins, Jr., resigned.

Lewis Arthur Tambs,
of Arizona, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Colombia.

Submitted December 14

William Thomas Dillard III,
of Tennessee, to be United States Attorney for the Northern District of Florida for the term of 4 years, vice Nickolas P. Geeker, resigned.

Submitted December 15

Thomas Edward Cooper,
of Virginia, to be an Assistant Secretary of the Air Force, vice Alton Gold Keel, Jr., resigned.

Sherman E. Unger,
of Ohio, to be United States Circuit Judge for the Federal Circuit, vice Robert L. Kunzig, deceased.

Submitted December 17

John P. Vukasin, Jr.,
of California, to be United States District Judge for the Northern District of California, vice Stanley A. Weigel, retired.

Appendix C—Checklist of White House Press Releases

The following list contains releases of the Office of the Press Secretary which are not included elsewhere in this book.

Released July 4

Advance text:
Remarks at Edwards Air Force Base, Calif., on completion of the fourth mission of the space shuttle *Columbia*

Released July 8

Announcement:
Working visit to Washington of President Roberto Suazo Córdova of Honduras

Released July 9

Fact sheet:
Convention on the Law of the Sea

Released July 13

Advance text:
Remarks at the annual convention of the National Association of Counties in Baltimore, Md.

Transcript:
Press briefing on their meeting with the President to discuss foreign policy issues—by Senator Charles H. Percy of Illinois and Representative Clement J. Zablocki of Wisconsin

Released July 14

Transcript:
Press briefing on their meeting with the President to discuss foreign issues—by Senate Majority Leader Howard H. Baker, Jr., House Minority Leader Robert H. Michel, and Representative Trent Lott of Mississippi

Transcript:
Press briefing on U.S. assistance for Lebanon—by M. Peter McPherson, Administrator of the Agency for International Development and the President's personal representative for U.S. disaster assistance for Lebanon

Fact sheet:
Executive Order 12372, intergovernmental review of Federal programs

Released July 14—Continued
Announcement:
Nomination of Antonin Scalia to be United States Circuit Judge for the District of Columbia

Announcement:
Nomination of J. Lawrence Irving to be United States District Judge for the Southern District of California

Announcement:
Nomination of Frederick J. Scullin, Jr., to be United States Attorney for the Northern District of New York

Released July 15

Transcript:
Statement on his meeting with the President—as read by President-elect Salvador Jorge Blanco of the Dominican Republic

Announcement:
Disaster relief for parts of Texas, New Mexico, and Oklahoma

Released July 17

Announcement:
Receipt by the U.S. Government of a formal reply from the Government of Israel concerning allegations of the use of U.S.-supplied cluster bomb munitions

Released July 19

Advance text:
Remarks at a rally in support of the proposed constitutional amendment for a balanced Federal budget

Released July 21

Transcript:
Press briefing on the President's meeting with chief executive officers of corporations and associations to discuss the Caribbean Basin Initiative—by Frank Borman, president and chief executive officer of Eastern Airlines, and Thomas Pownall, president of Martin-Marietta

Released July 21—Continued
Announcement:
Nomination of William M. Acker, Jr., to be United States District Judge for the Northern District of Alabama

Announcement:
Nomination of Faith P. Evans to be United States Marshal for the District of Hawaii

Advance text:
Remarks at the Caribbean Basin Initiative Coalition celebration

Released July 22

Fact sheet:
Emergency Board No. 195 to investigate a railroad labor dispute

Fact sheet:
Small Business Innovation Development Act of 1982

Advance text:
Remarks at the Mathews-Dickey Boys' Club in St. Louis, Mo.

Released July 23

Transcript:
Press briefing on his resignation—by Murray L. Weidenbaum, Chairman of the Council of Economic Advisers

Released July 26

Announcement:
Nomination of Clinton T. Peoples to be United States Marshal for the Northern District of Texas and Charles L. Dunahue to be United States Marshal for the District of Colorado

Released July 27

Announcement:
Nomination of Harry W. Wellford to be United States Circuit Judge for the Sixth Circuit

Announcement:
Nomination of Michael M. Mihm to be United States District Judge for the Central District of Illinois

Announcement:
Nomination of Bruce M. Selya to be United States District Judge for the District of Rhode Island

Released July 28

Announcement:
Nomination of Raymond J. Dearie to be United States Attorney for the Eastern District of New York and Larry D. Thompson to be United States Attorney for the Northern District of Georgia

Announcement:
Appointment of Michael Richard Gale as Deputy Special Assistant to the President, serving in the Office of Public Liaison

Released July 29

Statement:
U.S.-Indian agreement on supply of low-enriched uranium to India's Tarpur Atomic Power Station—by Assistant Secretary of State for Near Eastern and South Asian Affairs Nicholas A. Veliotes

Released July 30

Fact sheet:
U.S.-Soviet Union grain sales agreement

Transcript:
Press briefing on the U.S.-Soviet Union grain sales agreement—by Secretary of the Treasury Donald T. Regan and Secretary of Agriculture John R. Block

Released August 2

Advance text:
Remarks at the annual convention of the National Corn Growers Association in Des Moines, Iowa

Released August 3

Advance text:
Remarks at the centennial meeting of the Supreme Council of the Knights of Columbus in Hartford, Conn.

Released August 4

Transcript:
Press briefing on their meeting with the President to discuss strategic arms reduction—by Representatives William S. Broomfield of Michigan and William Carney and Samuel S. Stratton of New York

Released August 5

Fact sheet:
National Health Fair Partnership

Released August 6

Announcement:
Nomination of Ross T. Roberts to be United States District Judge for the Western District of Missouri

Announcement:
Nomination of Edward M. Camacho to be United States Marshal for the District of Guam

Released August 9

Transcript:
Press briefing on their meeting with the President—by Representatives Silvio O. Conte of Massachusetts, Edward R. Madigan of Illinois, and Manuel Lujan, Jr., of New Mexico

Released August 10

Announcement:
Nomination of Thomas F. Hogan to be United States District Judge for the District of Columbia

Released August 11

Advance text:
Remarks in Billings, Mont., at a celebration marking the centennial of Billings and Yellowstone County

Advance text:
Remarks at a fundraising luncheon in Billings, Mont., for United States Senate candidate Larry Williams

Released August 16

Advance text:
Address to the Nation on Federal tax and budget reconciliation legislation

Released August 17

Fact sheet:
Executive Order 12379, termination of boards, committees, and commissions

Released August 18

Transcript:
Question-and-answer session with reporters on Federal tax and budget reconciliation legislation—by former Secretary of the Treasury William E. Simon

Released August 19

Announcement:
Submission to the President of the report of Emergency Board No. 194 to investigate a railroad labor dispute

Released August 20

Announcement:
Submission to the President of the report of Emergency Board No. 195 to investigate a railroad labor dispute

Announcement:
Nomination of David D. Dowd, Jr., to be United States District Judge for the Northern District of Ohio

Announcement:
Nomination of Edward Rafeedie to be United States District Judge for the Central District of California

Released August 23

Announcement:
Nomination of Rufus W. Campbell, Jr., to be United States Marshal for the Eastern District of Louisiana, Herbert M. Rutherford III to be United States Marshal for the Eastern District of Virginia, and Max E. Wilson to be United States Marshal for the Western District of North Carolina

Released August 28

Fact sheet:
Supplemental Appropriations Act, 1982 (H.R. 6863)

Released August 31

Fact sheet:
Presidential Medal of Freedom

Released September 7

Text:
Citation on the Medal of Freedom that the President presented to Ambassador Philip C. Habib, the President's emissary in consultations in the Middle East

Released September 9

Announcement:
Nomination of Raymond L. Acosta to be United States District Judge for the District of Puerto Rico

Announcement:
Nomination of Arthur F. Van Court to be United States Marshal for the Eastern District of California

Advance text:
Remarks at Kansas State University at the Alfred M. Landon Lecture Series on Public Issues

Released September 13

Transcript:
Press briefing on proposed criminal justice reform legislation—by Counsellor to the President Edwin Meese III, Associate Attorney General Rudolph W. Giuliani, and Assistant Attorney General D. Lowell Jensen, Criminal Division, Department of Justice

Fact sheet:
Proposed criminal justice reform legislation

Released September 14

Announcement:
Nomination of James C. Fox to be United States District Judge for the Eastern District of North Carolina

Released September 15

Advance text:
Remarks at the National Black Republican Council dinner

Released September 17

Advance text:
Remarks at the swearing-in ceremony for new U.S. citizens in White House Station, N.J.

Advance text:
Remarks at the San Gennaro Festival in Flemington, N.J.

Released September 20

Transcript:
Press briefing on proposed legislative actions to deal with the railroad labor dispute—by Secretary of Transportation Drew L. Lewis and Secretary of Labor Raymond J. Donovan

Released September 21

Transcript:
Press briefing following their meeting with the President to discuss the resumption of the three major arms reduction negotiations—by Ambassadors Paul H. Nitze, Edward L. Rowny, and Richard F. Staar

Released September 22

Fact sheet:
Historically black colleges and universities

Announcement:
Nomination of George G. Fagg to be United States Circuit Judge for the Eighth Circuit

Released September 22—Continued
Transcript:
Press briefing announcing formation of the Cabinet Council on Management and Administration and the Reform 88 Task Force—by Counsellor to the President Edwin Meese III and Joseph R. Wright, Deputy Director of the Office of Management and Budget

Released September 23

Transcript:
Press briefing following the President's meeting with the Cabinet Council on Economic Affairs—by Secretary of the Treasury Donald T. Regan, who read a statement concerning the Consumer Price Index and the President's statement on the administration's proposal for job training programs

Announcement:
Nomination of Anthony Bertoni to be United States Marshal for the Eastern District of Michigan and Charles H. Perenick, Sr., to be United States Marshal for the District of Massachusetts

Released September 24

Announcement:
Nomination of Lawrence S. Margolis and Haldane Robert Mayer to be Judges of the United States Court of Claims

Released September 28

Transcript:
Introductory remarks at a meeting of participants in the American Business Conference—by Arthur Levitt, Jr., chairman of the conference

Released September 29

Advance text:
Remarks at a Virginia Republican Party rally in Richmond

Released September 30

Transcript:
Press briefing on the leading economic indicators—by Secretary of Commerce Malcolm Baldrige

Announcement:
Nomination of Reginald W. Gibson to be a Judge of the United States Court of Claims

Announcement:
Nomination of Edward M. Camacho to be United States Marshal for the District of the Northern Mariana Islands and Romolo J. Imundi to be

Released September 30—Continued
United States Marshal for the Southern District of New York

Released October 4

Advance text:
Remarks in Columbus, Ohio, to members of Ohio veterans organizations

Released October 5

Announcement:
Release of the 1982 Federal strategy for prevention of drug abuse and drug trafficking

Fact sheet:
1982 Federal strategy for prevention of drug abuse and drug trafficking

Transcript:
Press briefing on the 1982 federal strategy for prevention of drug abuse and drug trafficking—by Carlton E. Turner, Director of the Drug Abuse Policy Office; Associate Attorney General Rudolph W. Guiliani; William Mayer, Administrator, Alcohol, Drug Abuse, and Mental Health Administration; and Deputy Assistant Secretary of State for International Narcotics Matters Jon R. Thomas

Transcript:
Press briefing on their meeting with the President—by Senate Majority Leader Howard H. Baker, Jr., and House Minority Leader Robert H. Michel

Released October 6

Transcript:
Remarks and a question-and-answer session with reporters on his meeting with the President—by Ambassador Philip C. Habib, the President's emissary in consultations in the Middle East

Released October 7

Advance text:
Remarks at a Nevada Republican Party rally in Reno

Released October 8

Fact sheet:
Federal employee pay increase

Released October 10

Transcript:
Interview with Assistant to the President James A. Baker III—by Sam Donaldson and George Will, ABC News, on "This Week With David Brinkley"

Released October 11

Advance text:
Remarks at a rally for Texas Republican candidates in Irving

Released October 12

Fact sheet:
Victim and Witness Protection Act of 1982 (S. 2420; Public Law 97-291) and the Missing Children Act (H.R. 6976; Public Law 97-292)

Released October 13

Fact sheet:
Job Training Partnership Act (S. 2036; Public Law 97-300)

Advance text:
Address to the Nation on the economy

Released October 14

Advance text:
Remarks at the Department of Justice announcing Federal initiatives against drug trafficking and organized crime

Fact sheet:
Federal initiatives against drug trafficking and organized crime

Released October 15

Fact sheet:
U.S.-Soviet Union grain sales

Fact sheet:
Garn-St Germain Depository Institutions Act of 1983 (H.R. 6267; Public Law 97-320)

Transcript:
Press briefing on the President's announcement on U.S. grain sales to the Soviet Union—by Secretary of Agriculture John R. Block

Released October 18

Transcript:
Press briefing on the presentation to the President of the 1982 William A. Steiger Award by the National Capital Venture Association—by Mort Collins, chairman of the association

Transcript:
Press briefing on the report to the President of the Military Manpower Task Force—by Secretary of Defense Caspar W. Weinberger, Counsellor to the President Edwin Meese III, and Lawrence J. Korb, Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics)

Released October 18—Continued
Fact sheet:
Military Manpower Task Force—Executive Summary

Advance text:
Remarks via satellite to 20 Republican campaign events

Released October 20

Announcement:
Nomination of Daniel F. Lopez Romo to be United States Attorney for the District of Puerto Rico

Announcement:
Nomination of Matthew Chabal, Jr., to be United States Marshal for the Middle District of Pennsylvania

Advance text:
Remarks at the Werries family farm in Chapin, Ill.

Fact sheet:
Blended export credit program

Advance text:
Remarks at an Illinois Republican Party rally in Peoria

Released October 21

Transcript:
Press briefing on the European Communities steel export arrangement—by Secretary of Commerce Malcolm Baldrige

Released October 22

Fact sheet:
A bill concerning the immigration of certain Amerasian children (S. 1698; Public Law 97–359)

Released October 25

Transcript:
Press briefing following his meeting with the President—by former President Gerald R. Ford

Announcement:
Selection of Joshua A. Muss as Executive Director of the Property Review Board

Released October 26

Advance text:
Remarks at a North Carolina Republican Party rally in Raleigh

Released October 27

Transcript:
Press briefing following his meeting with the President—by Professor George Stigler of the University of Chicago, winner of the Nobel Prize in economics

Transcript:
Press briefing following their meeting with the President—by Angela Buchanan, Treasurer of the United States, and James Robinson, chairman of the U.S. Industrial Payroll Savings Committee

Released October 28

Advance text:
Remarks at a Wyoming Republican Party rally in Casper

Advance text:
Remarks at a Montana Republican Party rally in Great Falls

Advance text:
Remarks at a Nevada Republican Party rally in Las Vegas

Released October 29

Advance text:
Remarks at a Utah Republican Party rally in Salt Lake City

Advance text:
Remarks at a New Mexico Republican Party rally in Roswell

Released November 2

Announcement:
Submission to the President of the report of Emergency Board No. 196 to investigate a railroad labor dispute

Announcement:
Submission to the President of the report of Emergency Board No. 197 to investigate a railroad labor dispute

Announcement:
Submission to the President of the report of Emergency Board No. 198 to investigate a railroad labor dispute

Transcript:
Press briefing on the results of the congressional elections—by Chief of Staff and Assistant to the President James A. Baker III

Released November 3

Transcript:
Interview with Chief of Staff and Assistant to the President James A. Baker III on the congressional election results—by Walter Cronkite of CBS News

Transcript:
Interview with Counsellor to the President Edwin Meese III on the congressional election results—by Barry Seraphin of ABC News

Transcript:
Interview with Chief of Staff and Assistant to the President James A. Baker III on the congressional election results—by Barbara Walters and Frank Reynolds of ABC News

Transcript:
Interview with Chief of Staff and Assistant to the President James A. Baker III on the congressional election results—by Bill Plante of CBS News

Transcript:
Interview with Chief of Staff and Assistant to the President James A. Baker III on the congressional election results—by Judy Woodruff and Bryant Gumbel of NBC News

Released November 6

Transcript:
Question-and-answer session with reporters following the President's meeting with national and regional chairmen of the Republican National Committee—by Senator Paul Laxalt of Nevada, and Richard Richards, chairman of the Republican National Committee

Released November 9

Transcript:
Press briefing on the Vice President's visit to seven African nations and Bermuda—by the Vice President and Assistant Secretary of State for African Affairs Chester A. Crocker

Released November 10

Announcement:
Recess appointment of Mastin Gentry White as a Judge of the United States Claims Court

Released November 11

Fact sheet:
Presidential Citizens Medal

Transcript:
Press briefing following his meeting with the President to discuss the situation in the Middle East—by Ambassador Philip C. Habib, the President's Special Representative for the Middle East

Released November 11—Continued

Released November 12

Announcement:
Nomination of Peter K. Nunez to be United States Attorney for the Southern District of California

Excerpts:
Remarks to be delivered on November 13 in Chicago at the American College of Surgeons commemorative ceremony in memory of Dr. Loyal Davis—by Dr. John Brewer, past regent of the American College of Surgeons, Dr. Harold Method, associate editor of "Surgery, Gynecology and Obstetrics," and Dr. Daniel Ruge, Physician to the President

Released November 15

Text:
Message to the Congress transmitting a memorandum of law on the authorities available to the President to respond to severe energy supply interruptions

Released November 16

Transcript:
Remarks to reporters on his meeting with the President to report on his visit to Moscow for the funeral of President Leonid I. Brezhnev—by Secretary of State George P. Shultz

Fact sheet:
Long Island Rail Road labor dispute

Advance text:
Remarks at the annual convention of the U.S. League of Savings Associations in New Orleans, La.

Released November 17

Advance text:
Remarks in Miami, Fla., to members of the South Florida Task Force and Miami Citizens Against Crime

Released November 18

Text:
Message to the Congress transmitting the 26th annual report on the Trade Agreements Program, 1981–1982

Released November 19

Announcement:
Nomination of Joseph V. Colaianni and Robert J. Yock to be Judges of the United States Claims Court

Announcement:
Nomination of Charles E. Healy to be United States Marshal for the Eastern District of New York, Dwight G. Williams to be United States Marshal for the Northern District of Mississippi, and Daniel B. Wright to be United States Marshal for the Western District of New York

Released November 22

Transcript:
Announcement and a question-and-answer session with reporters on the President's decision on the deployment of the MX missile—by Assistant to the President for National Security Affairs William P. Clark, Senators John Tower of Texas, Henry M. Jackson of Washington, and Malcolm Wallop of Wyoming, and Representatives Richard B. Cheney of Wyoming, Clement J. Zablocki of Wisconsin, and Jack Edwards of Alabama

Advance text:
Address to the Nation on strategic arms reduction and nuclear deterrence

Fact sheet:
Confidence-building measures to reduce the risk of accidental nuclear war (as discussed in the address on strategic arms reduction and nuclear deterrence)

Released November 23

Transcript:
Press briefing on the proposed highway and bridge repair program—by Secretary of Transportation Drew L. Lewis

Announcement:
Nomination of Christine Cook Nettesheim to be a Judge of the United States Claims Court

Announcement:
Nomination of Frank X. Altimari to be United States District Judge for the Eastern District of New York, Sam H. Bell to be United States District Judge for the Northern District of Ohio, John W. Bissell to be United States District Judge for the District of New Jersey, Frank W. Bullock, Jr., to be United States District Judge for the Middle District of North Carolina, and Paul E. Plunkett to be United States District Judge for the Northern District of Illinois

Released November 24

Announcement:
Nomination of Virginia L. Riley and Geoffrey M. Alprin to be Associate Judges of the Superior Court of the District of Columbia

Released November 29

Advance text:
Remarks at the annual convention of the National League of Cities in Los Angeles, Calif.

Released November 30

Transcript:
Press briefing on their meeting with the President—by Senate Majority Leader Howard H. Baker, Jr., and House Minority Leader Robert H. Michel

Transcript:
Press briefing on the proposed highway user fee—by Secretary of Transportation Drew L. Lewis

Fact sheet:
Highway user fee

Advance text:
Remarks on departure for Latin America

Transcript:
Press briefing on the President's trip to Latin America—by Secretary of State George P. Shultz, Secretary of the Treasury Donald T. Regan, Ambassador William E. Brock, United States Trade Representative, and Assistant Secretary of State for Inter-American Affairs Thomas O. Enders

Advance text:
Remarks on arrival at Brasilia, Brazil

Released December 1

Announcement:
Signing of Proclamation 5002, imports of sugar and sugar products

Transcript:
Press briefing on the President's visit to Brazil—by Secretary of State George P. Shultz

Transcript:
Press briefing on the President's visit to Brazil—by Secretary of the Treasury Donald T. Regan

Advance text:
Toast at a dinner hosted by President João Baptista de Oliveira Figueiredo of Brazil

Released December 2

Transcript:
Interview with Secretary of the Treasury Donald T. Regan—by Bryant Gumbel, NBC News, on "Today"

Transcript:
Press briefing on the President's visit to Brazil—by Secretary of State George P. Shultz and Ambassador William E. Brock, United States Trade Representative

Advance text:
Remarks to United States and Brazilian businessmen in São Paulo, Brazil

Released December 3

Transcript:
Press briefing on the President's visit to Colombia—by Secretary of State George P. Shultz

Advance text:
Toast at a luncheon hosted by President Belisario Betancur Cuartas of Colombia

Transcript:
Press briefing on the President's visit to Colombia—by Secretary of State George P. Shultz

Announcement:
Submission to the President of the report of Emergency Board No. 197 to investigate a railroad labor dispute

Released December 4

Advance text:
Remarks at a signing ceremony for the U.S.-Costa Rica extradition treaty in San José, Costa Rica

Advance text:
Toast at a luncheon hosted by President Luis Alberto Monge Alvarez of Costa Rica

Transcript:
Press briefing on the President's visits to Costa Rica and Honduras—by Secretary of State George P. Shultz, Assistant Secretary of State for Inter-American Affairs Thomas O. Enders, and Deputy Chief of Staff and Assistant to the President Michael K. Deaver

Advance text:
Remarks following a meeting with President Roberto Suazo Córdova of Honduras

Advance text:
Remarks following a meeting with President José Efrain Ríos Montt of Guatemala

Released December 4—Continued
Transcript:
Press briefing on the President's trip to Latin America—by Secretary of State George P. Shultz

Released December 6

Announcement:
Nomination of James F. Merow to be a Judge of the United States Claims Court

Released December 7

Announcement:
Submission to the President of the report of Emergency Board No. 196 to investigate a railroad labor dispute

Released December 8

Transcript:
Press briefing on the final report of the President's Task Force on Private Sector Initiatives—by C. William Verity, Jr., Chairman of the Task Force

Released December 9

Transcript:
Press briefing on the administration's agricultural payment-in-kind program—by Secretary of Agriculture John R. Block

Transcript:
Press briefing on his meeting with the President—by Ambassador Philip C. Habib, the President's Special Representative for the Middle East, and Ambassador Morris Draper

Advance text:
Remarks at a dinner honoring the Republican majority in the Senate

Released December 10

Transcript:
Press briefing on his meeting with the President—by Ambassador Edward L. Rowny, Special Representative for Negotiations, U.S. Arms Control and Disarmament Agency

Released December 13

Announcement:
Signing of Proclamation 5005, National Drunk and Drugged Driving Awareness Week

Released December 14

Announcement:
Nomination of William Thomas Dillard III to be United States Attorney for the Northern District of Florida

Released December 15

Announcement:
Nomination of Sherman E. Unger to be United States Circuit Judge for the Federal Circuit

Transcript:
Press briefing on action by the Senate Appropriations Committee on production of the MX missile—by Deputy Press Secretary Larry M. Speakes

Released December 17

Announcement:
Nomination of John P. Vukasin, Jr., to be United States District Judge for the Northern District of California

Released December 18

Announcement:
Submission to the President of the report of Emergency Board No. 198 to investigate a railroad labor dispute

Released December 20

Announcement:
Formation of the President's Council for International Youth Exchange

Released December 23

Transcript:
Press briefing on the second 6-month report to the President by the President's Council on Integrity and Efficiency—by Counsellor to the President Edwin Meese III and Joseph R. Wright, Jr., Chairman of the Council and Deputy Director of the Office of Management and Budget

Released December 25

Advance text:
Christmas Day radio address to the Nation

Released December 28

Announcement:
Visit of Queen Elizabeth II of the United Kingdom and the Duke of Edinburgh to the United States

Advance text:
Remarks at the recommissioning ceremony for the U.S.S. *New Jersey* in Long Beach, Calif. (two releases)

Released December 30

Fact sheet:
United Nations assessments for the Seabed Authority and Law of the Sea Preparatory Commission

Appendix D—Acts Approved by the President

Approved July 12

H.R. 6451 / Public Law 97-214
Military Construction Codification Act.

H.R. 3127 / Private Law 97-25
An act for the relief of Staff Sergeant Anne M. Fisher, United States Army Reserve.

Approved July 13

Note: The following bill became law over the President's veto of July 8. (See page 908 of this book.)

H.R. 6198 / Public Law 97-215
An act to amend the manufacturing clause of the copyright law.

Approved July 18

H.R. 6685 / Public Law 97-216
Urgent Supplemental Appropriations Act, 1982.

Approved July 19

S. 2651 / Public Law 97-217
An act to extend the expiration date of section 252 of the Energy Policy and Conservation Act.

Approved July 20

H.R. 6590 / Public Law 97-218
No Net Cost Tobacco Program Act of 1982.

Approved July 22

S. 881 / Public Law 97-219
Small Business Innovation Development Act of 1982.

S. 1230 / Public Law 97-220
Olympic Commemorative Coin Act.

Approved July 23

S. 2240 / Public Law 97-221
Federal Employees Flexible and Compressed Work Schedules Act of 1982.

Approved July 27

H.R. 4935 / Public Law 97-222
An act to amend title 11, United States Code, to correct technical errors, and to clarify and make

Approved July 27—Continued
substantive changes, with respect to securities and commodities.

H.J. Res. 225 / Public Law 97-223
A joint resolution to designate the week beginning June 5, 1983, and ending June 11, 1983, as "Management Week in America".

Approved July 28

S.J. Res. 95 / Public Law 97-224
A joint resolution to authorize and direct the Secretary of the Interior, subject to the supervision and approval of the Franklin Delano Roosevelt Memorial Commission, to proceed with the construction of the Franklin Delano Roosevelt Memorial, and for other purposes.

H.J. Res. 444 / Public Law 97-225
A joint resolution to authorize and request the President to designate August 14, 1982, as "National Navaho Code Talkers Day".

H.R. 4688 / Public Law 97-226
An act to amend the Military Personnel and Civilian Employees' Claims Act of 1964 to increase from $15,000 to $25,000 the maximum amount the United States may pay in settlement of a claim under section 3 of that Act.

Approved August 2

H.R. 6663 / Public Law 97-227
An act to delay the effective date of proposed amendments to rule 4 of the Federal Rules of Civil Procedure.

H.J. Res. 526 / Public Law 97-228
A joint resolution authorizing and requesting the President to issue a proclamation designating the week of August 1, 1982, through August 7, 1982, as "National Purple Heart Week".

Approved August 3

S. 2332 / Public Law 97-229
Energy Emergency Preparedness Act of 1982.

Approved August 6

S. 2706 / Public Law 97-230
An act to amend title 28, United States Code, to modify the bar membership requirements for United States magistrates.

Approved August 9

S. 2317 / Public Law 97-231
An act to recognize the organization known as the National Federation of Music Clubs.

S. 2218 / Public Law 97-232
An act to provide for the development and improvement of the recreation facilities and programs of Gateway National Recreation Area through the use of funds obtained from the development of methane gas resources within the Fountain Avenue Landfill site by the city of New York.

Approved August 10

H.J. Res. 494 / Public Law 97-233
A joint resolution with regard to Presidential certifications on conditions in El Salvador.

H.R. 5380 / Public Law 97-234
An act to recognize the organization known as American Ex-Prisoners of War.

Approved August 16

S.J. Res. 190 / Public Law 97-235
A joint resolution to authorize and request the President to designate "National Family Week".

Approved August 17

S.J. Res. 183 / Public Law 97-236
A joint resolution to authorize and request the President to issue a proclamation designating October 17 through October 23, 1982, as "Lupus Awareness Week".

Approved August 20

H.J. Res. 541 / Public Law 97-237
A joint resolution concerning the successful completion of the test flight phase of the Space Shuttle program.

S. 2154 / Public Law 97-238
An act to direct the Secretary of Agriculture to release a reversionary interest held by the United States in certain lands located in Christian County, Kentucky, so that such lands may be used for cemetery purposes.

Approved August 20—Continued
H.J. Res. 516 / Public Law 97-239
A joint resolution to provide for the designation of April 17 to April 23, 1983, as "National Coin Week".

S.J. Res. 123 / Public Law 97-240
A joint resolution authorizing and requesting the President to proclaim "National Disabled Veterans Week".

Approved August 24

S. 1193 / Public Law 97-241
An act to authorize appropriations for fiscal years 1982 and 1983 for the Department of State, the International Communication Agency, and the Board for International Broadcasting, and for other purposes.

S. 2073 / Public Law 97-242
An act to repeal outdated size and weight limitations now imposed on the United States Postal Service.

Approved August 26

H.R. 6530 / Public Law 97-243
An act to designate the Mount St. Helens National Volcanic Monument in the State of Washington, and for other purposes.

H.R. 2160 / Public Law 97-244
Potato Research and Promotion Act Amendments of 1982.

H.R. 6033 / Public Law 97-245
An act relating to the preservation of the historic Congressional Cemetery in the District of Columbia for the inspiration and benefit of the people of the United States.

H.R. 4647 / Public Law 97-246
An act to award special congressional gold medals to Fred Waring, the widow of Joe Louis, and Louis L'Amour.

S. 167 / Private Law 97-26
An act for the relief of Juan Esteban Ramirez.

Approved August 27

H.R. 6260 / Public Law 97-247
An act to authorize appropriations to the Patent and Trademark Office in the Department of Commerce, and for other purposes.

Approved September 3

H.R. 4961 / Public Law 97-248
Tax Equity and Fiscal Responsibility Act of 1982.

Approved September 8

H.R. 6732 / Public Law 97-249
An act to amend the International Safe Container Act.

S. 1119 / Public Law 97-250
An act to correct the boundary of Crater Lake National Park in the State of Oregon, and for other purposes.

H.R. 6350 / Public Law 97-251
Veterans' Administration Health-Care Programs Improvement and Extension Act of 1982.

S. 2248 / Public Law 97-252
Department of Defense Authorization Act, 1983.

H.R. 6955 / Public Law 97-253
Omnibus Budget Reconciliation Act of 1982.

H.R. 6409 / Public Law 97-254
An act to provide for the participation of the United States in the 1984 Louisiana World Exposition to be held in New Orleans, Louisiana, and for other purposes.

H.R. 1526 / Public Law 97-255
Federal Managers' Financial Integrity Act of 1982.

H.R. 3345 / Public Law 97-256
An act to make technical and conforming changes in the patent and trademark laws and in the Civil Rights of Institutionalized Persons Act.

H.R. 3126 / Private Law 97-27
An act to direct the Secretary of the department in which the United States Coast Guard is operating to cause the vessel Sky Lark to be documented as a vessel of the United States so as to be entitled to engage in the coastwise trade, and for other purposes.

Approved September 10

Note: The following bill became law over the President's veto of August 28. (See page 196 of this book.)

H.R. 6863 / Public Law 97-257
Supplemental Appropriations Act, 1982.

Approved September 13

H.R. 6128 / Public Law 97-258
An act to revise, codify, and enact without substantive change certain general and permanent laws, related to money and finance, as title 31, United States Code, "Money and Finance".

Approved September 13—Continued
H.R. 3239 / Public Law 97-259
An act to amend the Communications Act of 1934, and for other purposes.

Approved September 18

S.J. Res. 194 / Public Law 97-260
A joint resolution to provide for the appointment of Nancy Hanks as a citizen regent of the Board of Regents of the Smithsonian Institution.

Approved September 20

H.R. 3663 / Public Law 97-261
Bus Regulatory Reform Act of 1982.

Approved September 22

S.J. Res. 250 / Public Law 97-262
A joint resolution to provide for resolution of the single outstanding issue in the current railway labor-management dispute, and for other purposes.

Approved September 24

H.R. 1710 / Public Law 97-263
An act to authorize the use of the frank for official mail sent by the Law Revision Counsel of the House of Representatives.

S. 2582 / Public Law 97-264
An act to amend the Act to establish a Permanent Committee for the Oliver Wendell Holmes Devise, and for other purposes.

S.J. Res. 186 / Public Law 97-265
A joint resolution to authorize and request the President to designate the week of September 19 through 25, 1982, as "National Cystic Fibrosis Week".

S.J. Res. 205 / Public Law 97-266
A joint resolution to designate September 1982 as "National Sewing Month".

H.R. 3835 / Private Law 97-28
An act for the relief of Rutherford K. Clarke and his wife Ida T. Clarke.

Approved September 27

S. 923 / Public Law 97-267
An act to amend chapter 207 of title 18, United States Code, relating to pretrial services.

H.R. 3620 / Public Law 97-268
An act transferring certain Federal property to the city of Hoboken, New Jersey.

Approved September 27—Continued

H.R. 6068 / Public Law 97-269
Intelligence Authorization Act for Fiscal Year 1983.

Approved September 30

H.J. Res. 520 / Public Law 97-270
A joint resolution to provide for a temporary increase in the public debt limit.

H.R. 3517 / Public Law 97-271
Virgin Islands Nonimmigrant Alien Adjustment Act of 1982.

H.R. 6956 / Public Law 97-272
Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1983.

H.R. 4347 / Public Law 97-273
An act to authorize the Secretary of the Interior to proceed with development of the WEB pipeline, to provide for the study of South Dakota water projects to be developed in lieu of the Oahe and Pollock-Herreid irrigation projects, and to make available Missouri basin pumping power to projects authorized by the Flood Control Act of 1944 to receive such power.

H.R. 7065 / Public Law 97-274
An act to amend the Community Services Block Grant Act to clarify the authority of the Secretary of Health and Human Services to designate community action agencies for certain community action programs administered by the Secretary for fiscal year 1982, and for other purposes.

Approved October 1

S. 1628 / Public Law 97-275
An act to amend the Emergency Fund Act (Act of June 26, 1948, 62 Stat. 1052).

S. 215 / Private Law 97-29
An act for the relief of Lourie Ann Eder.

Approved October 2

H.J. Res. 599 / Public Law 97-276
A joint resolution making continuing appropriations for the fiscal year 1983, and for other purposes.

Approved October 4

H.J. Res. 496 / Public Law 97-277
A joint resolution to provide for the designation of the week beginning on November 21, 1982, as "National Alzheimer's Disease Week".

Approved October 4—Continued

H.R. 5288 / Public Law 97-278
An act granting the consent of Congress to the compact between the States of New Hampshire and Vermont concerning solid waste.

S.J. Res. 193 / Public Law 97-279
A joint resolution designating the week of November 7 through November 13, 1982, as "National Respiratory Therapy Week".

S.J. Res. 165 / Public Law 97-280
A joint resolution authorizing and requesting the President to proclaim 1983 as the "Year of the Bible".

Approved October 5

H.J. Res. 568 / Public Law 97-281
A joint resolution to provide for the designation of October 5, 1982, as "Dr. Robert H. Goddard Day".

S.J. Res. 174 / Public Law 97-282
A joint resolution to authorize and request the President to designate October 16, 1982, as "World Food Day".

S. 2405 / Public Law 97-283
An act to further amend the boundary of the Cibola National Forest to allow an exchange of lands with the city of Albuquerque, New Mexico.

H.J. Res. 486 / Public Law 97-284
A joint resolution authorizing and requesting the President to issue a proclamation designating the period from October 3, 1982, through October 9, 1982, as "National Schoolbus Safety Week of 1982".

Approved October 6

S. 907 / Public Law 97-285
An act to amend sections 351 and 1751 of title 18 of the United States Code to provide penalties for crimes against Cabinet officers, Supreme Court Justices, and Presidential staff members, and for other purposes.

S. 2271 / Public Law 97-286
National Bureau of Standards Authorization Act for Fiscal Year 1983.

H.R. 3589 / Public Law 97-287
An act to authorize the exchange of certain land held by the Navajo Tribe and the Bureau of Land Management, and for other purposes.

H.R. 5081 / Public Law 97-288
An act to declare that the United States holds certain lands in trust for the Washoe Tribe of Nevada and California and to transfer certain

Approved October 6—Continued
other lands to the administration of the United States Forest Service.

H.J. Res. 612 / Public Law 97–289
A joint resolution to provide for the temporary extension of certain insurance programs relating to housing and community development, and for other purposes.

Approved October 8

S. 734 / Public Law 97–290
An act to encourage exports by facilitating the formation and operation of export trading companies, export trade associations, and the expansion of export trade services generally.

Approved October 12

S. 2420 / Public Law 97–291
Victim and Witness Protection Act of 1982.

H.R. 6976 / Public Law 97–292
Missing Children Act.

S. 1409 / Public Law 97–293
An act to authorize the Secretary of the Interior to construct, operate, and maintain modifications of the existing Buffalo Bill Dam and Reservoir, Shoshone project, Pick-Sloan Missouri Basin program, Wyoming, and for other purposes.

S.J. Res. 239 / Public Law 97–294
A joint resolution designating October 16, 1982, as "National Newspaper Carriers Appreciation Day".

H.R. 4623 / Public Law 97–295
An act to amend titles 10, 14, 37, and 38, United States Code, to codify recent law and to improve the Code.

H.R. 5154 / Public Law 97–296
An act to amend the Lanham Trademark Act to prohibit any State from requiring that a registered trademark be altered for use within such State, and to encourage private enterprise with special emphasis on the preservation of small business.

H.R. 6168 / Public Law 97–297
An act to amend title 18, United States Code, to provide a criminal penalty for threats against former Presidents, major Presidential candidates, and certain other persons protected by the Secret Service, and for other purposes.

H.R. 6454 / Public Law 97–298
Anti-Arson Act of 1982.

Approved October 12—Continued
H.J. Res. 207 / Public Law 97–299
A joint resolution to require the Secretary of the Interior to place a plaque at the United States Marine Corps War Memorial honoring Joseph Rosenthal, photographer of the scene depicted by the memorial.

Approved October 13

S. 2036 / Public Law 97–300
Job Training Partnership Act.

S. 2852 / Public Law 97–301
An act to require a separate family contribution schedule for Pell Grants for academic years 1983–1984 and 1984–1985, to establish restrictions upon the contents of such schedule, and for other purposes.

H.R. 3881 / Public Law 97–302
An act to direct the Secretary of Agriculture to release on behalf of the United States a reversionary interest in certain lands conveyed to the Arkansas Forestry Commission, and to direct the Secretary of the Interior to convey certain mineral interests of the United States in such lands to such Commission.

H.R. 6156 / Public Law 97–303
An act to clarify the jurisdiction of the Securities and Exchange Commission and the definition of security, and for other purposes.

H.R. 6133 / Public Law 97–304
Endangered Species Act Amendments of 1982.

Approved October 14

S. 188 / Public Law 97–305
An act to authorize the Secretary of Agriculture to convey certain lands in the Gallatin National Forest, and for other purposes.

H.R. 6782 / Public Law 97–306
Veterans Compensation, Education, and Employment Amendments of 1982.

S. 2874 / Public Law 97–307
An act to amend the Act of March 16, 1934, as amended, to credit entrance fees for the migratory-bird hunting and conservation stamp contest to the account which pays for the administration of the contest.

H.R. 4468 / Public Law 97–308
An act to amend chapter 84, section 1752 of title 18, United States Code, to authorize the Secretary of the Treasury to establish zones of protection for certain persons protected by the United States Secret Service.

Approved October 14—Continued

H.R. 5930 / Public Law 97–309
An act to extend the aviation insurance program for five years.

H.R. 7293 / Public Law 97–310
Wolf Trap Farm Park Act.

H.R. 6422 / Public Law 97–311
An act to direct the Secretary of Agriculture to release on behalf of the United States a reversionary interest in certain land previously conveyed to the State of Connecticut.

H.R. 2035 / Public Law 97–312
An act to authorize certain employees of the United States Department of Agriculture charged with the enforcement of animal quarantine laws to carry firearms for self-protection and to improve the quality of table grapes for marketing in the United States.

H.R. 5658 / Public Law 97–313
An act to authorize the use of education block grant funds to teach the principles of citizenship.

H.R. 5941 / Public Law 97–314
An act to designate the building known as the Federal Building and United States Courthouse in Greenville, South Carolina, as the "Clement F. Haynsworth, Jr., Federal Building", the building known as the Quincy Post Office in Quincy, Massachusetts, as the "James A. Burke Post Office", and the United States Post Office Building in Portsmouth, Ohio, as the "William H. Harsha United States Post Office Building".

H.J. Res. 588 / Public Law 97–315
A joint resolution to provide for the designation of the month of October 1982, as "Head Start Awareness Month".

S.J. Res. 113 / Public Law 97–316
A joint resolution to designate the week beginning November 28 through December 4, 1982, as "National Home Health Care Week".

S.J. Res. 197 / Public Law 97–317
A joint resolution to provide for the designation of the week of October 17 through October 23, 1982, as "Myasthenia Gravis Awareness Week".

S.J. Res. 235 / Public Law 97–318
A joint resolution to proclaim March 21, 1983, as "National Agriculture Day".

S.J. Res. 249 / Public Law 97–319
A joint resolution to provide for the designation of the month of October 1982, as "National Spinal Cord Injury Month".

Approved October 14—Continued

H.R. 825 / Private Law 97–30
An act for the relief of Yick Bong Au Yeung.

H.R. 1783 / Private Law 97–31
An act for the relief of Felipe B. Manalo and Maria Monita A. Manalo.

H.R. 1841 / Private Law 97–32
An act for the relief of Isabelita Clima Portilla.

H.R. 4490 / Private Law 97–33
An act for the relief of Lehi L. Pitchforth, Junior.

Approved October 15

H.R. 6267 / Public Law 97–320
Garn-St Germain Depository Institutions Act of 1982.

S. 2586 / Public Law 97–321
Military Construction Authorization Act, 1983.

S. 2252 / Public Law 97–322
An act to authorize appropriations for the Coast Guard for fiscal years 1983 and 1984, and for other purposes.

H.R. 6968 / Public Law 97–323
Military Construction Appropriation Act, 1983.

H.R. 5890 / Public Law 97–324
National Aeronautics and Space Administration Authorization Act, 1983.

H.R. 6164 / Public Law 97–325
International Carriage of Perishable Foodstuffs Act.

S. 2386 / Public Law 97–326
Consolidated Federal Funds Report Act of 1982.

S. 2574 / Public Law 97–327
Federal-Aid Highway Act of 1982.

H.R. 6276 / Public Law 97–328
An act to amend the District of Columbia Self-Government and Governmental Reorganization Act to allow the issuance of revenue bonds to finance college and university programs which provide student educational loans.

S. 2436 / Public Law 97–329
An act to designate the Mary McLeod Bethune Council House in Washington, District of Columbia, as a national historic site, and for other purposes.

H.R. 4476 / Public Law 97–330
An act to amend the Administrative Conference Act, by authorizing appropriations therefor.

Approved October 15—Continued

H.R. 6273 / Public Law 97–331
Motor Vehicle Safety and Cost Savings Authorization Act of 1982.

H.R. 2528 / Public Law 97–332
An act to amend the Economy Act to provide that all departments and agencies may obtain materials or services from other agencies by contract, and for other purposes.

H.R. 1486 / Public Law 97–333
Protection Island National Wildlife Refuge Act.

S. 2457 / Public Law 97–334
An act to amend the District of Columbia Self-Government and Governmental Reorganization Act to increase the amount authorized to be appropriated as the annual Federal payment to the District of Columbia.

S. 1777 / Public Law 97–335
An act relating to the establishment of a permanent boundary for that portion of the Acadia National Park as lies within the town of Isle au Haut, Maine.

S. 2375 / Public Law 97–336
An act to extend the expiration date of the Defense Production Act of 1950.

H.R. 3278 / Public Law 97–337
An act to amend title 10, United States Code, to provide additional standards for determining the amount of space to be programed for military retirees and their dependents in medical facilities of the uniformed services, and for other purposes.

H.R. 6188 / Public Law 97–338
An act to authorize the Secretary of the Interior to participate with the State of Nebraska in studies of Platte River water resource use and development, and for other purposes.

H.R. 3467 / Public Law 97–339
Arms Control and Disarmament Amendments Act of 1982.

H.R. 1281 / Public Law 97–340
An act to provide for the conveyance of certain lands in Alaska comprising trade and trade manufacturing site A–056802 without regard to the eighty-rod limitation provided by existing law.

S. 1872 / Public Law 97–341
An act to provide for a study of grazing phaseout at Capitol Reef National Park, and for other purposes.

Approved October 15—Continued

H.R. 7115 / Public Law 97–342
An act to authorize the transfer of nine naval vessels to certain foreign governments.

S.J. Res. 241 / Public Law 97–343
A joint resolution to provide for the designation of the week of December 12, 1982, through December 18, 1982, as "National Drunk and Drugged Driving Awareness Week".

S. 478 / Public Law 97–344
An act to provide for the partitioning of certain restricted Indian land in the State of Kansas.

S. 1573 / Public Law 97–345
An act to exempt the Lake Oswego, Oregon, hydroelectric facility from part I of the Federal Power Act (Act of June 10, 1920) as amended, and for other purposes.

H.R. 5145 / Public Law 97–346
An act to amend title 5, United States Code, to provide training opportunities for employees under the Office of the Architect of the Capitol and the Botanic Garden, and for other purposes.

H.R. 684 / Private Law 97–34
An act for the relief of Ok-Boon Kang.

H.R. 1481 / Private Law 97–35
An act for the relief of George Herbert Weston.

H.R. 1826 / Private Law 97–36
An act for the relief of Shinji Oniki.

H.R. 2193 / Private Law 97–37
An act for the relief of Berendina Antonia Maria van Kleeff.

H.R. 2340 / Private Law 97–38
An act for the relief of Theodore Anthony Dominguez.

H.R. 3171 / Private Law 97–39
An act for the relief of Doctor David Pass.

H.R. 3451 / Private Law 97–40
An act for the relief of Danuta Gwozdz.

H.R. 4662 / Private Law 97–41
An act for the relief of Eun Ok Han.

H.R. 6811 / Private Law 97–42
An act for the relief of Alejo White and Sonia White.

Approved October 18

H.R. 5662 / Public Law 97–347
An act to extend until October 1, 1983, the authority and authorization of appropriations for

Approved October 18—Continued
certain programs under the Fish and Wildlife Act of 1956.

S. 1018 / Public Law 97–348
Coastal Barrier Resources Act.

S.J. Res. 261 / Public Law 97–349
A joint resolution to designate "National Housing Week".

S. 1210 / Public Law 97–350
An act to authorize appropriations for the operations of the Office of Environmental Quality and the Council on Environmental Quality during fiscal years 1982, 1983, and 1984, and withdraw certain lands within the Mount Baker-Snoqualmie National Forest from leasing under mineral and geothermal leasing laws.

H.R. 5228 / Public Law 97–351
Convention on the Physical Protection of Nuclear Material Implementation Act of 1982.

H.R. 6865 / Public Law 97–352
An act to amend the Perishable Agricultural Commodities Act, 1930, to require the Secretary of Agriculture to accept the payment of monetary penalties for certain admitted and infrequent violations involving misrepresentation under such Act, and for other purposes.

Approved October 19

S.J. Res. 257 / Public Law 97–353
A joint resolution to designate the month of November 1982, as "National Diabetes Month".

H.R. 6055 / Public Law 97–354
Subchapter S Revision Act of 1982.

S.J. Res. 262 / Public Law 97–355
A joint resolution to designate the month of November 1982 as "National Christmas Seal Month".

H.R. 6029 / Public Law 97–356
An act to authorize the Secretary of the Interior to acquire by exchange certain lands within the Indiana Dunes National Lakeshore in the State of Indiana.

H.R. 5139 / Public Law 97–357
An act to authorize appropriations for certain insular areas of the United States, and for other purposes.

S. 2146 / Private Law 97–43
An act to extend the lease terms of Federal oil and gas leases, W66245, W66246, W66247, and W66250.

Approved October 21

H.R. 6142 / Public Law 97–358
Surplus Agricultural Commodities Disposal Act of 1982.

Approved October 22

S. 1698 / Public Law 97–359
An act to amend the Immigration and Nationality Act to provide preferential treatment in the admission of certain children of United States citizens.

H.R. 4828 / Public Law 97–360
An act to set aside certain surplus vessels for use in the provision of health and other humanitarian services to developing countries.

H.R. 3787 / Public Law 97–361
An act to amend sections 10 and 11 of the Act of October 21, 1970 (Public Law 91–479; 16 U.S.C. 460x), entitled "An Act to establish in the State of Michigan the Sleeping Bear Dunes National Lakeshore, and for other purposes".

H.R. 828 / Private Law 97–44
An act for the relief of George G. Barrios, doctor of medicine, his wife Olga T. Cruz, and their children Kurt F. Barrios, Karl S. Barrios, Katrina Adelaida Theresa.

H.R. 2342 / Private Law 97–45
An act for the relief of Maria Cecilia Gabella-Ossa.

H.R. 3592 / Private Law 97–46
An act for the relief of Uili Tuifua, Talameafoou Tuifua, Heta Tuifua, Sateki Tuifua, Ilaisaane Tuifua, and Ofa Hemooni Tuifua.

Approved October 25

H.R. 4717 / Public Law 97–362
Miscellaneous Revenue Act of 1982.

H.R. 5879 / Public Law 97–363
Refugee Assistance Amendments of 1982.

H.R. 6170 / Public Law 97–364
An act to amend title 23, United States Code, to encourage the establishment by States of effective alcohol traffic safety programs and to require the Secretary of Transportation to administer a national driver register to assist State driver licensing officials in electronically exchanging information regarding the motor vehicle driving records of certain individuals.

H.R. 4613 / Public Law 97–365
Debt Collection Act of 1982.

Approved October 25—Continued
H.R. 4441 / Public Law 97-366
An act to amend title 17 of the United States Code with respect to the fees of the Copyright Office, and for other purposes.

H.R. 7292 / Public Law 97-367
White House Conference on Productivity Act.

Approved December 17

H.J. Res. 595 / Public Law 97-368
A joint resolution designating December 11, 1982, as "Fiorello H. La Guardia Memorial Day".

Approved December 18

H.R. 7019 / Public Law 97-369
Department of Transportation and Related Agencies Appropriations Act, 1983.

H.R. 7072 / Public Law 97-370
An act making appropriations for Agriculture, Rural Development, and Related Agencies programs for the fiscal year ending September 30, 1983, and for other purposes.

Approved December 20

H.R. 6403 / Public Law 97-371
An act to provide for the use and distribution of funds to the Wyandot Tribe of Indians in docket 139 before the Indian Claims Commission and docket 141 before the United States Court of Claims, and for other purposes.

H.R. 5795 / Public Law 97-372
An act to provide for the use and distribution of the funds awarded to the Shawnee Tribe of Indians in dockets 64, 335, and 338 by the Indian Claims Commission and docket 64-A by the United States Court of Claims, and for other purposes.

S. 2177 / Public Law 97-373
An act to amend title III of the Colorado River Basin Project Act, Public Law 90-537 (82 Stat. 885), as amended by Public Law 95-578 (92 Stat. 2471), and Public Law 96-375 (94 Stat. 1505).

S. 764 / Public Law 97-374
An act to provide for protection of the John Sack cabin, Targhee National Forest in the State of Idaho.

Approved December 21

H.R. 6005 / Public Law 97-375
Congressional Reports Elimination Act of 1982.

H.R. 5553 / Public Law 97-376
An act to provide for the use and disposition of Miami Indians judgment funds in dockets 124-B

Approved December 21—Continued
and 254 before the United States Court of Claims, and for other purposes.

H.J. Res. 631 / Public Law 97-377
A joint resolution making further continuing appropriations and providing for productive employment for the fiscal year 1983, and for other purposes.

Approved December 22

H.R. 7144 / Public Law 97-378
District of Columbia Appropriation Act, 1983.

H.R. 6417 / Public Law 97-379
An act to amend Public Law 96-432 relating to the United States Capitol Grounds.

S. 1444 / Public Law 97-380
An act to authorize the Administrator of General Services to donate to State and local governments certain Federal personal property loaned to them for civil defense use, and for other purposes.

S. 1681 / Public Law 97-381
An act to designate the southern Nevada water project the "Robert B. Griffith Water Project".

S. 1894 / Public Law 97-382
Indian Mineral Development Act of 1982.

S. 2034 / Public Law 97-383
An act to designate the lock and dam known as the Jones Bluff Lock and Dam, located on the Alabama River, as the "Robert F. Henry Lock and Dam".

S. 2710 / Public Law 97-384
An act to establish the Charles C. Deam Wilderness in the Hoosier National Forest, Indiana.

Approved December 23

H.R. 2329 / Public Law 97-385
An act conferring jurisdiction on certain counts of the United States to hear and render judgment in connection with certain claims of the Cherokee Nation of Oklahoma.

H.R. 4364 / Public Law 97-386
An act to declare that the United States holds in trust for the Pascua Yaqui Tribe of Arizona certain land in Pima County, Arizona.

S. 2611 / Public Law 97-387
An act to amend the Peace Corps Act.

S. 3073 / Public Law 97-388
An act to provide for the distribution within the United States of the United States Information

Approved December 23—Continued

Agency film entitled "Dumas Malone: A Journey With Mr. Jefferson".

Approved December 29

H.R. 3942 / Public Law 97–389
Fisheries Amendments of 1982.

H.R. 6204 / Public Law 97–390
An act to provide for appointment and authority of the Supreme Court Police, and for other purposes.

H.R. 6588 / Public Law 97–391
Cow Creek Band of Umpqua Tribe of Indians Recognition Act.

H.R. 6758 / Public Law 97–392
An act to authorize the sale of defense articles to United States companies for incorporation into end items to be sold to friendly foreign countries.

S. 816 / Public Law 97–393
An act to amend the Clayton Act to modify the amount of damages payable to foreign states and instrumentalities of foreign states which sue for violations of the antitrust laws.

Approved December 30

H.R. 7356 / Public Law 97–394
An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1983, and for other purposes.

S. 823 / Public Law 97–395
An act to provide for the payment of losses incurred as a result of the ban on the use of the chemical Tris in apparel, fabric, yarn, or fiber, and for other purposes.

Approved December 31

H.R. 1952 / Public Law 97–396
An act authorizing appropriations to carry out conservation programs on military reservations and public lands during fiscal years 1983, 1984, and 1985, and for other purposes.

H.R. 5204 / Public Law 97–397
An act to authorize and direct the Secretary of the Interior to accept certain lands for the benefit of the Sycuan Band of Mission Indians.

H.R. 6946 / Public Law 97–398
An act to amend title 18 of the United States Code to provide penalties for certain false identification related crimes.

H.R. 7155 / Public Law 97–399
Florida Indian Land Claims Settlement Act of 1982.

H.R. 7377 / Public Law 97–400
An act to designate the Lakeview Lake project Mountain Creek, Texas, as the "Joe Pool Lake".

S. 187 / Public Law 97–401
An act to authorize the Secretary of the Interior to convey certain lands near Miles City, Montana, and to remove certain reservations from prior conveyances.

S. 1340 / Public Law 97–402
An act to provide for the use and distribution of Clallam judgment funds in docket numbered 134 before the Indian Claims Commission, and for other purposes.

S. 1735 / Public Law 97–403
An act to provide for the use and distribution of funds awarded the Pembina Chippewa Indians in dockets numbered 113, 191, 221, and 246 of the Court Claims.

S. 3113 / Public Law 97–404
An act to make certain minor and technical amendments to the Job Training Partnership Act.

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